

FUTURE OPTIONS FOR CASA LOMA

Prepared for the:
Board of Directors
Casa Loma Corporation

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INTRODUCTION

BACKGROUND

Casa Loma is an iconic tourism and heritage landmark, designed by Canadian architect E. J. Lennox for industrialist Sir Henry Pellatt. Finished shortly before World War I, the residence was used by Pellatt's family for about a decade before a personal bankruptcy resulted in the loss of his estate, including Casa Loma and most of its contents. After an interim use as a hotel, ownership transferred to the City of Toronto in 1933. The City of Toronto remains the sole owner of the land and buildings consisting of the main "castle", adjacent gardens and parking structure located at 1 Austin Terrace as well as the hunting lodge located at 328 Walmer Road, Stables complex/Potting Shed at 330 Walmer Road and the former chauffeur's residence at 330 ½ Walmer Road.

In 1936, the Kiwanis Club of West Toronto began to operate Casa Loma as a tourist attraction. The Kiwanis role in the operation of Casa Loma continued until July 2011, when City Council created the Casa Loma Corporation (the "Corporation") a City Services Corporation. The Corporation is an interim entity with a single shareholder, the City of Toronto. In addition to ensuring the continued operation of Casa Loma, the Corporation's primary mandate is to determine an appropriate future use(s) for Casa Loma and how this use(s) should be delivered. The City of Toronto's current initiative to review how services are delivered to the public, together with the extensive exterior and interior improvements required at Casa Loma (in addition to a \$20 million restoration plan nearing completion), will influence how the Corporation considers potential uses.

To assist in this review, the Board issued RFP 001-2012 with the purpose of engaging consulting support to:

- Identify broad options available to the Board regarding the ownership, use and operation of Casa Loma. Options include maintaining the current use (although potentially delivered via alternate approaches) as well as a full array of other uses.
- Assemble information necessary in order to evaluate options.
- Involve key stakeholders and the public in the consideration of uses.
- Provide advice on how to identify innovative, creative and realistic options for the future of Casa Loma.

A consulting team lead by HLT Advisory and comprising CBRE and Philip Goldsmith Architect, was selected to undertake the assignment.

SCOPE OF WORK

In order to complete the assignment the consulting team:

- Reviewed historical Casa Loma financial, operational, and organizational data, past and present strategic plans as well as a wide variety of studies and analyses that have been conducted on various aspects of Casa Loma operations over the past several years. A list of material reviewed is included in Appendix A.
- Met with Casa Loma senior management.
- Reviewed existing contracts with tenants (e.g. Queen's Own Rifles) and service providers (e.g. Pegasus Catering Group)
- Interviewed a range of stakeholders including representatives from residents' groups, City of Toronto planning, heritage culture and legal, the Toronto tourism industry, key suppliers, Casa Loma tenants, City councillors, the Kiwanis Club and adjacent business improvement areas. A full list of interviewees is contained in Appendix A.
- Reviewed comparable and benchmark data from other Toronto attractions for comparison to Casa Loma operations.
- Developed a long list of potential uses for Casa Loma (in whole and in part) and prepared an evaluation matrix for these uses.
- Interviewed potential parties that could be interested in a future use for Casa Loma and to gauge interest, terms and conditions, and related parameters.
- Reviewed previous RFP processes to identify best practices for application to a potential Casa Loma solicitation.
- Attended and participated in a public consultation event held May 10, 2012. This event was attended by about thirty citizens.
- Conducted a workshop with the Casa Loma Board of Directors to review findings.

The scope of work did not entail an operations or governance review, efficiency analysis or any form of financial examination.

Upon completion of these steps the following report was completed.

CASA LOMA HISTORY AND THE CURRENT BUSINESS MODEL

CASA LOMA DEVELOPMENT TIMELINE

The Casa Loma "Complex" (including the main house, often referred to as the Castle, Hunting Lodge and Stables/Potting Shed) comprise one of the best known heritage sites in the City of Toronto. Constructed over a series of years at the beginning of the 20th century, these buildings are an imaginative, fanciful expression of the medievalism popular at the time.

Built at great expense this group of buildings were not 100% completed when the first World War began and afterwards their owner, Sir Henry Pellatt fell on hard times. He was forced to sell off his art and furnishings and to make matters worse taxes rose from \$600 per year to \$1,000 per month. As a result, the "Castle" at 1 Austin Terrace was only occupied for about 10 years by its owner-builder.

For a period time, Casa Loma operated as a hotel. During the hotel years it was a popular night spot where its own home made band went on to fame as a successful Big Band known as Glen Gray and the Casa Loma Orchestra. Over this period of time, Casa Loma has become an important visual and experiential part of Toronto history which continues to today.

After being acquired by the City of Toronto for back taxes, Casa Loma was placed in the hands of the Kiwanis to be run as a mix of museum-heritage attraction and special events centre. Casa Loma operated in this way for more than 75 years.

In 2008, the Kiwanis and the City of Toronto entered into a new management agreement governing operations and revenue sharing. Disappointing financial results lead the City of Toronto to take over operations in 2011.

Period	Activity
1911-1914	Construction of the Castle and out buildings by Sir Henry Pellatt
1914	Pellatt family moves in to the Castle
1924	Pellatts lose Casa Loma due to financial issues
1925-1929	Casa Loma operates as a luxury hotel and nightspot
1929-1933	Casa Loma sits vacant
1933	City of Toronto takes back the property for \$27,303.45 in back taxes. Suggestions for possible uses of the buildings at that time included a high school, museum, art gallery, war veterans' convalescence home and a permanent residence for the Dionne quintuplets. None of the projects proved feasible. At one time even demolition was considered as an option for the Castle.
1937-2011	The Kiwanis Club of West Toronto take over and operate Casa Loma as a tourist attraction. City of Toronto retains ownership.
2008 - 2011	Kiwanis and the City of Toronto enter into a revised management agreement.
2011-present	City of Toronto creates the Casa Loma Corporation and takes over operation.

THE CASA LOMA BUSINESS MODEL

The current Casa Loma business model has evolved over the past 75 + years of continuous operation by the Kiwanis Club of West Toronto ("Kiwanis"). The business model consists of two core components:

- Heritage Tourist Attraction—the daytime admission of Toronto residents and tourists to the Casa Loma buildings and grounds together with associated revenues generated from programming and incidental purchases such as food, beverage and retail, as well as parking.
- Special Event Venue—the rental of the Castle and Castle grounds for private functions including weddings, social and corporate events and the like. This category also includes revenues earned from TV/motion picture filming and wedding photography.

Until the City of Toronto assumed primary responsibility for Casa Loma operations in 2011, these core components were operated directly by the Kiwanis although external contractors delivered food, beverage and related catering functions. The "attraction" and "special event" components coexist within Casa Loma with some friction occurring over the priority assigned to each (e.g., demand for special event usage versus maintenance of the attraction throughput/public access).

The Kiwanis is a registered charity undertaking a variety of community and social initiatives across the City of Toronto (and internationally through a network of chapters). Casa Loma operating profits have historically been split between the Kiwanis and the City, with the Kiwanis proceeds used to support Kiwanis' activities. The Kiwanis role in saving Casa Loma from a use that may have prevented public access (or even demolition) upon the City's acquisition of the heritage asset in 1933 is acknowledged. However, the Casa Loma "business model" up to the present time has had insufficient consideration of the longer-term viability of the operation, notably in the area of capital reinvestment. This situation has resulted, in part, from a disconnect between operating responsibility (Kiwanis) and asset preservation (City of Toronto).

Attraction

General Admission

Cafeteria

Gift Shop

Special Events/Programming

Parking

Special Event Venue

Building and grounds rental

Catering

Film shoots and photography

Parking

SWOT ANALYSIS

Mission Statement: (from the 2012 Budget Submission to the Casa Loma Corporation Board of Directors): Casa Loma strives to operate a financially self-sufficient heritage and tourism attraction, entertainment and hospitality venue that tells the story of early 20th century Toronto to residents and tourists in a leading edge, educational and engaging fashion.

Some of the key strengths, weaknesses, opportunities and threats with respect to this mandate are highlighted below.

Strengths

- Iconic building, architectural significance (exterior and interior)
- Unique spaces, excellent vistas
- Broad awareness within/outside Toronto
- Long history as special events venue (connections/memories for many Torontonians)
- Part of Toronto tourism infrastructure
- Part of Toronto's Edwardian history (and social history throughout the 20th century)
- Annual cash flow sufficient to cover all operating (but not capital) costs
- Intense public scrutiny of any modifications to buildings and mandate

Weaknesses

- Limited history of professional management
- Limited budget available for sales and marketing
- Lack of capital reinvestment/upgrading:
 - Building exterior decay
 - Interiors are tired (Castle) or lacking in basic services (e.g., no washrooms in Stables)
- Modest (visitation) appeal to Toronto residents.. "nothing new"
- Unclear "story" (i.e., is the story Pellatt, Toronto, or...)
- Delivery of mandate is less than "leading edge, educational and engaging" by current standards

Opportunities

- More relevance to Torontonians (increase visitation and special event rentals)
- Evaluate space allocations and usage
 - Basement level inefficiencies
 - Administrative office placement
 - Tenants (e.g. Queen's Own Rifles)
 - Stables and Hunting Lodge underutilized
- Better balance between "attraction" and "special event" uses

Threats

- Unfunded capital (\$16.5 to \$23.5 million +) required over the short-term
- Uncertainty over Casa Loma future inhibits long-term planning, venue booking fundraising and sponsorship opportunities.

STRATEGIC PLANNING

Following implementation of the new management agreement between the Kiwanis and the City of Toronto, the Kiwanis prepared a strategic plan for 2009 to 2013. This plan incorporated a budget for capital enhancements (to the building interiors) of \$4.4 million to be spent over five years as well as a series of assumptions of visitation, ticket price increases and related operating efficiencies. Subsequent to the 2009 to 2013 strategic plan, business plans were prepared by the Kiwanis for each of 2010 and 2011. An external consultant (i.e., Economic Planning Group together with Bray & Associates) was also engaged to prepare a “High-Level Business Plan” focused primarily on Casa Loma’s disappointing financial results and the expected inability to achieve the targets set out in the 2009 to 2013 plan (notably the necessary capital improvements on which visitation and revenue increases had been forecasted).

The various strategic and business plans contain several conflicting targets and assumptions including conflicts in revenue and visitation goals. These discrepancies are likely, at least in part, a function of changing market conditions (e.g., economic conditions had a negative impact on visitation) as well as mixed messages about Casa Loma’s “product offering” and market positioning. Leading up to preparation of the strategic plans, and thereafter a variety of external consulting reports addressing a broad range of operational and product issues had been completed (and to various extents were referenced or used in the strategic plans). These reports included a:

- Gift shop refurbishment analysis
- Market study for alternative uses in the Hunting Lodge
- Fund raising planning study
- Day visitor experience concept plan
- Analysis of ways to enhance revenue

A summary of past consulting studies, recommendations and status is included in Appendix B.

The majority of the recommendations contained in these reports were either accepted, but not carried out, or rejected due to unrealistic assumptions (e.g., the capital costs necessary to complete the proposed “time tunnel” conversion of the passageway leading from the Castle to the Stables). In most cases the recommendations accepted by the Kiwanis were never acted upon due to a shortage of funds and/or staff resources necessary for implementation. As a result the planning process, rather than being based on realistic goals, has continually been built on assumptions that have not materialized. This approach has created a degree of inertia at Casa Loma.

The Corporation’s mandate, as set out in the 2012 Budget submission to evaluate options for Casa Loma and the City’s role in delivering these options should take into account the two core elements of the business model: heritage tourism attraction and special events venue. A review of past strategic plans (and background studies and analyses informing these plans) suggests previous attempts to create a strategic plan for Casa Loma has looked at the heritage attraction OR special event venue components without properly assessing how these elements could coexist more efficiently. A properly documented strategic plan built on realistic assumptions and containing clear direction on future tactics and strategies is an urgent requirement.

SUMMARY

For more than 75 years, Casa Loma has operated as an heritage tourism attraction and special event venue, most of this time under management by the Kiwanis. The “business” of Casa Loma has been a secondary consideration of the two primary stakeholders over this time period, specifically the Kiwanis (who saw Casa Loma as a funding source for various good works) and the City of Toronto (as partially-engaged landlords). Until the early 2000’s Casa Loma routinely produced operating profits that satisfied the Kiwanis fundraising and community support initiatives while the City realized an ongoing revenue stream without any associated operating or capital cost commitment. As a result:

- Limited reinvestment has been made in the upkeep of Casa Loma structures. The multi-phase improvement program now nearing completion was commenced only after building conditions reached a crisis level.
- Casa Loma management has not benefitted from broader, current attraction/special event venue experience. Casa Loma was the only such asset managed by the Kiwanis therefore, no best practice, benchmarking or management depth was available internally.
- Casa Loma has not adapted to the growing number of new attractions and special event venues in Toronto. A repeated refrain through stakeholder interviews is the “lack of anything new.”
- A lack of resources — including the lack of financial and management skills necessary to assess reasonableness of assumptions—has resulted in perpetual planning as a substitute for implementation.
- No clear vision of Casa Loma has been articulated by (or for) the Kiwanis, City of Toronto, users/visitors/supporters or Torontonians at large resulting in a range of answers to the question “What is Casa Loma?” including:
 - Historical landmark
 - Museum
 - Special event venue
 - A “one-time” visit
 - A neighbour (residents and local-area businesses)
 - Under used (and a perception of over used by neighbours at certain times of the year)
 - Dated/tired
 - Too many things to too many people

The current interim governance structure (i.e., City-services corporation) was created to evaluate the long-term positioning, use and control of Casa Loma, given these operating characteristics.

PHYSICAL DESCRIPTION PLANNING, DEVELOPMENT AND USE CONSIDERATIONS

SUMMARY OF CASA LOMA LAND AND BUILDINGS

Casa Loma consists of two contiguous land parcels:

- a 5.89-acre parcel bordered by Austin Terrace (north), Walmer Road (west) and Davenport Street (south). The Baldwin Stairs City Park borders the east property line. The main parcel accommodates the Castle, main gardens and a c1970s parking structure.
- a 1.99-acre parcel (including a City park) located on the northwest corner of Austin Terrace and Walmer Road. This smaller site contains the Hunting Lodge (the original Pellatt residence on the Casa Loma property), Stables and Potting Shed as well as a residence (330 ½ Walmer Road) originally used as the chauffeur's residence.

The properties are joined via a tunnel running from the Castle, under Austin Terrace to both the Hunting Lodge and the Stables.

The Castle or “country” house is replete with all manner of castle-like expressions despite being, simply, a large house (at 98 rooms the largest house in Canada at the time). Its form includes, massive crenelated turrets and parapets, chimney masses, porticos, loggia, conservatory, terrace walls, grand gardens and enclosing wall. The materials add to the effect, utilizing rusticated rock face Credit Valley sandstone with cast “roman stone” dressings, tile roofing and substantial, multi-lighted and leaded wood windows. The Castle is approximately 64,700 square feet over seven levels (including spaces in the towers/turrets, as shown below:

Basement	20,500 sq. ft.
First Floor	17,500 sq. ft.
Second Floor	12,300 sq. ft.
Third Floor	9,000 sq. ft.
Fourth Floor	1,800 sq. ft.
Floors 5,6 and 7	<u>3,600</u> sq. ft.
Total	<u>64,700</u> sq. ft.



Google Earth view of Casa Loma main site



Casa Loma “Castle”, web image

SUMMARY OF CASA LOMA LAND AND BUILDINGS (CONT'D.)

The Stables building, featuring the five-story Gothic tower, is connected to both the Potting Shed (and now missing greenhouses) on the south and the former chauffeur's residence (known as 330½ Walmer) on the north. The Stables also includes the garage (where Pellatt's motorized vehicles were kept). The Stables buildings are a direct complement to Casa Loma and are of a similar picturesque mediaeval design. The Stables are about 22,400 gross square feet while the chauffeur's residence is an additional (approximately) 2,000 gross square feet. The Stables are used throughout the year as part of the Casa Loma attraction experience however, this building is neither heated nor fitted for washrooms.



Stables Complex, web image



Hunting Lodge, web image

The Hunting Lodge, built first as a Pellatt residence during the development of the lands, is a much more typical Arts and Crafts house of the period and likely much more in tune with the Architect A.J. Lennox's natural period design style. Like many houses of the period in Toronto, the Hunting Lodge is of red brick trimmed in redstone with overhanging roofs clad in slate.

The Hunting Lodge is not part of the Casa Loma tour and, in fact, has neither been occupied nor used for more than a decade.

HERITAGE CONSIDERATIONS—BUILDINGS

Each of the Castle, Stables buildings (including the garage and potting shed) and Hunting Lodge are protected under Part IV of the *Ontario Heritage Act* (“OHA”). The regulatory aspect of “heritage” is established by the OHA with the responsibility for identification and regulation assigned to individual host municipalities. Although the current heritage status is designated under the OHA, there is little doubt that the heritage significance of Casa Loma exists at the municipal, provincial and federal levels. As far as can be determined however, the City has not applied for federal designation. (Federal Designation is not regulatory but honourific and is a requirement for grants which are periodically available at the federal level.)

Heritage protection is based on heritage attributes set out in the designation by-law. Once a building is protected under Part IV of the OHA, any change to the building site, or any site adjacent to the protected property, requires an Heritage Impact Assessment (“HIA”) prior to receipt of the required Heritage Permit. An HIA studies a property from three primary directions: history, context and design. The requirements to complete an HIA are set out in Appendix C. Appendix C also contains the City reference standards developed by both the Provincial Government and Parks Canada at the Federal level.

Periodically the Province issues supplementary “statements” which express Provincial direction to supplement the *Ontario Planning Act*. PPS 2005 states that Heritage Resources shall be conserved. The PPS defines these resources broadly as both buildings and Landscapes. Casa Loma and its lands fall into this category.

The intent of the *Ontario Heritage Act* is not to prevent all change but to manage change in support of conserving the heritage resource. In the case of Casa Loma, any significant alteration to the site or buildings will be resisted by heritage advocates and the City of Toronto’s Heritage Preservation Services. That does not mean that minor adjustments—particularly at the building(s) interior(s) in secondary areas—would not be supported, depending on the proposed work and its sensitivity to heritage standards and guidelines.

Ultimately, permission to alter is a City decision. The decision is appealable to the Conservation Review Board which may make a recommendation to the City but cannot overturn the City decision unlike the OMB.

Casa Loma Buildings Protected Under Current Bylaw

- Castle: “All of the building exterior, exterior terraces and the walling that surrounds the property; at the interior - the great hall, drawing rooms, billiards room, library, dining room, conservatory, second floor suites of rooms (all bedrooms) and generally, “all other public spaces in the building”.
- Hunting Lodge: “All of the exterior, the surrounding walls and gates.”
- Stables: “All of the building exterior (potting shed, stables, housing), the surrounding walling and wrought iron work; at the interior, carriage hall (and wood trusses), horse stalls room and stalls themselves with tiling and decorative iron, housing for attendants, boiler room.”

HERITAGE CONSIDERATIONS—SITE AND ADJACENT PROPERTIES

Casa Loma is a significant Toronto Landmark. Its location on the crest of the Davenport escarpment allows views of the house from a great distance. Images of Casa Loma are found repeatedly in Toronto's promotional materials. It, like the Flat Iron Building on Front Street and only a few other buildings, is iconic in its representation of Toronto as a place with substance and history.

The history, scale and design of the Casa Loma complex is rare in Canada. Sir Henry Pellatt, as a largely self made man, was involved in many key aspects of Ontario development. Most notably was his involvement in the establishment of electrical power to serve the Toronto Area. This extended to being involved in the harnessing of Niagara Falls for power generation. It is the imaginative mediaeval and castle-like design of Casa Loma that ultimately stands out. In North America, such buildings are a surprise and rare, given the scale and contrast with "normal" architecture.

Over time, some of the Casa Loma lands have already been diminished. The prime garden on the north side of Austin Terrace was sold off long ago and developed as housing, the greenhouses associated with the potting shed were demolished, and a parking structure was erected to the west of Casa Loma. Nonetheless, a large landscape remains associated with Casa Loma complex.

Site Considerations

Like the buildings, the landscape has primary and secondary areas. Proposed alterations should only be considered for secondary areas. The interpretation of what is a secondary area will require discussion with the City and possibly others. The most logical, and largest, secondary area are the lands west of the lodge-potting shed-stables.

The lands around the Castle are part of the historic setting of this Great House and permit a clear view of the house from all sides and all sides of the Casa Loma are public lands in the form of Streets (N,W,S) and an unopened street allowance (E). These lands will be considered as having primary heritage significance.



City of Toronto Archives, Fonds 1548, R1548.10395

Adjacent Lands

The Provincial Policy Statement requires that any development adjacent to an heritage resource also be subject to an Heritage Impact Assessment and conservation considerations. Casa Loma is not only a designated site in its own right but it also sits adjacent to Spadina House. Spadina House, jointly owned by the City of Toronto and the Ontario Heritage Trust, is in its own right a significant heritage resource and cultural landscape. Any development that would affect this site, views to it or from it would be examined for impacts and regulated accordingly.

PLANNING AND ZONING CONSIDERATIONS

Most of the land underlying the Castle, Stables complex and Hunting Lodge is designated as “Green”, a park designation that permits certain uses. In this case the use is “Casa Loma.” While this use might be interpreted in various ways, uses consistent with the attraction and special event activities that have occurred for more than 75 years will continue to be appropriate. Significant changes from these uses will not be consistent with the designation.

The southern band of property on the north side of Davenport Rd. is designated as a “natural” area, one of the most restrictive classifications within the Official Plan. Any site uses that do not respect the “natural” classification such as removing trees for patios, terraces or other urban forms are not consistent with this designation. As a result of these designations, development on any part of the Casa Loma lands, outside of a minor accessory construction or use, would require an Official Plan Amendment. Further, unless such work was very sensitive to the designations mentioned, City support is unlikely.

In addition to the Official Plan, property development and use is regulated through Zoning Bylaws which are amended from time to time based on evolving Official Plans and specific owner requests if successful. The Official Plan of the City of Toronto is currently under review as part of a normal cyclical review and update process. Nothing is contemplated in the Official Plan review that will affect the current status of Casa Loma. The Casa Loma complex is designated OR, Open Space - Recreational. Reference Appendix 3 for excerpts from the Zoning Bylaw. This zone restricts uses to a short list of open space amenity uses, and in this case “Casa Loma” (i.e., existing long term use). To develop the lands in any significant way would require, at a minimum, a Committee of adjustment ruling or if major change, a site specific Rezoning.

It should also be noted that City policies specifically discourage the sale (leases in excess of 21 years are deemed a sale) of park lands. Exceptions to this are the rationalization of open space when a development assembly occurs.



SPACE MANAGEMENT

Significant amounts of unprogrammed, under-valued and/or under-utilized space exists within the Casa Loma complex. Depending on the eventual use and delivery mechanism selected, some of this space could be used to support existing uses or used to generate additional revenue. Examples include:

- About 7,500 square feet is used for administrative and operational purposes (e.g., offices, storage) including some attractive and unique areas such as the 3rd floor turrets and the large room and balcony over the main entrance.
- The basement level contains the gift shop and storage areas which are, conservatively two to three times the size necessary to support current revenues. The basement level also contains the unfinished swimming pool area, substantive storage and work areas as well as offices.
- The Hunting Lodge is completely vacant (and has been for over ten years).
- The Stables are neither heated nor are there washrooms within this building limiting its all-season usage.
- A variety of tenants, some with more long-standing historical connections to Casa Loma and the Pellatt family than others, occupy substantive spaces and pay nominal rents (e.g., the Queen's Own Rifles occupy about 4,000 square feet). The Kiwanis also maintain an office of approximately 900 square feet.

A space planning analysis may identify more efficient use of some spaces while consideration of the appropriateness of maintaining some tenancies might result in redistribution of space.

PHYSICAL CONDITION

The exteriors of all Casa Loma buildings require significant attention to preserve them in a state of good repair. Casa Loma is now approximately 100 years old. While time, use and weather will take a toll on any building, the deferral of much-needed repairs (largely as a result of budgetary pressures) has exacerbated the issue, with deterioration still progressing. In 2006 a review of required improvements was undertaken by Taylor Hazell Architects resulting in a 7-phase restoration plan. Since that time, six phases have been completed at a cost of about \$18 million as summarized below. These funds have been provided by the City and through Casa Loma operations

Improvements to Casa Loma 2000 - 2010	
Year	Description of Work Completed
2001	Phase 1—Porte-Cochere, Potting Shed floor, Stables Tower and Roma stone restoration
2002	Phase 2—North service porch
2004	Phase 3—South Terrace elevation and boiler replacement
2006	Phase 4—Billiard Room quadrant, one chimney, restoration of lion & unicorn statues
2008	Phase 5—Scottish Tower quadrant including three chimneys, restoration of garden wall east, waterproofing south terrace roof slab
2010	Phase 6—Conservatory quadrant, three chimneys, conservatory stained glass dome and some windows
<i>Source: City of Toronto Economic Development and Culture</i>	

An additional \$3.5 million is required to complete the final phase of the seven-phase Taylor Hazell restoration plan.

PHYSICAL CONDITION (CONT'D.)

The Taylor Hazell plan did not include a fixed timetable or budget for the work required to the Stables, Hunting Lodge and perimeter fencing. An additional \$13 to \$20 million is estimated to complete repairs to these buildings which, when added to the \$3.5 million for the seventh and final phase of the Taylor Hazell plan brings the total to between \$16.5 to \$23.5 million.

Remaining Restoration Work Required		
Year	Cost	Description of Work to be Completed
TBD	\$10.5m - \$15m	Exterior restoration of Stables and Hunting Lodge, restoration to perimeter wall/pillars and main courtyard gate and iron fence, tunnel improvements, exterior restoration of potting shed, and courtyard.
TBD	<u>\$2.5m - \$5.0 m</u>	Restoration of Casa Loma perimeter wall.
	<u>\$13.0m - \$20.0 m</u>	

Source: City of Toronto Economic Development and Culture

No budget has been prepared to address interior renovations in any of the buildings nor the tunnel connecting the Castle with the Hunting Lodge and Stables. The Kiwanis capital budget contained in the 2009 to 2013 strategic plan contemplated spending \$1.7 million in the first two years of the new management agreement and an additional \$2.8 million over the subsequent three years for a total of \$4.4 million over five years. These funds were earmarked for a variety of building upgrades (e.g., renovating the Hunting Lodge, installing services in the Stables to permit year-round use), relocation of services (e.g., moving the gift shop to the main floor) and installation of amenities (e.g., air conditioning, elevator).

The source, and therefore reasonableness, of the Kiwanis capital cost estimates is not known however, a minimum of several million dollars are required on building interiors should the decision be made to continue using Casa Loma for its current purpose. While these improvements are not as critical to the "health" of the buildings as exterior repairs the lack of improvements will have an impact on Casa Loma's ability to generate visitation and special event activity over time.

HERITAGE, PLANNING AND ZONING SUMMARY AND IMPLICATIONS

The options for alternate uses of Casa Loma (including the grounds) are significantly restricted given Part IV designation under the *Ontario Heritage Act* as well as the current zoning. Restrictions on the sale and long-term lease of City lands adds further complication as an Official Plan Amendment is required. Key heritage, planning and zoning restrictions are summarized below.

	Castle	Stables Complex	Hunting Lodge
Heritage Designation status	Part IV of <i>Ontario Heritage Act</i> —Requires Heritage Impact Assessment and Heritage Permit to make any changes to structures (and grounds)		
Official Plan Designation status	Open Space-Recreational with exception of strip along Davenport perimeter zoned as “Natural”	Open Space-Recreational	
Zoning (permitted use)	“Casa Loma”	“Casa Loma”	“Casa Loma” Lack of public use for many years suggests more latitude in future
Potential for redevelopment	Significant limitation on exterior modifications	Significant limitation on exterior modifications Potential for modifications to potting shed	Significant limitation on exterior modifications
Potential for sale of property (includes lease >21 years)	Requires Official Plan amendment following declaration of lands as surplus		

FINANCIAL AND OPERATING PERFORMANCE

FINANCIAL PERFORMANCE

Casa Loma produces positive annual cash flow from operations and has done so continually for at least the last three decades.

Prior to entering into the new management agreement in 2008, the City's share of cash flow was calculated on a formulaic basis with varying percentages for different revenue types (e.g., box office, cafeteria). The City's share flowed into general revenue with no fixed segregation of funds for capital reinvestment (although in recent years the City has funded extensive capital renovations/upgrades). The Kiwanis retained the remainder.

Beginning in 2009, this arrangement was changed whereby the Kiwanis would be paid a \$250,000 per annum management fee and the City would earn \$800,000 annum (which was to be applied towards capital improvements). A decrease in visitation and associated revenue resulted in an inability for these payments to be made. The City took over operation of Casa Loma in July 2011 (the Kiwanis were paid their \$250,000 for the remainder of the 2011 fiscal year).

Over the past 32 years the Kiwanis have collected \$6.143 million in management fees while the City of Toronto has collected \$20.032 million from Casa Loma operations (including property taxes).

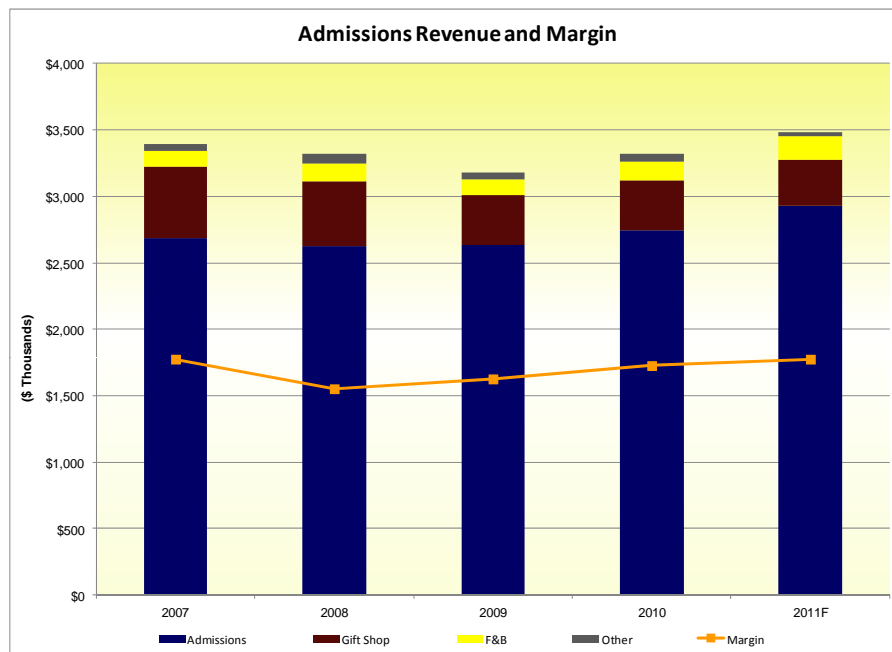
Profit Summary of Casa Loma: Revenue, Expense, Profit and Profit Allocation					
	Total Revenue	Total Expenses	Net Before Payments	Less: Payments	
				City	Kiwanis
1980	1,442,891	1,075,849	367,042	226,219	90,452
1981	1,584,188	1,268,501	315,687	239,667	99,355
1982	1,603,109	1,361,814	241,295	235,027	112,000
1983	1,701,869	1,317,619	384,250	285,237	83,000
1984	1,913,002	1,481,868	431,134	311,028	15,300
1985	1,973,611	1,430,524	543,087	308,406	168,715
1986	2,445,166	1,710,312	734,854	359,696	434,940
1987	2,640,719	1,813,709	827,010	460,090	365,000
1988	2,772,377	1,957,351	815,026	549,083	240,700
1989	3,453,052	2,314,316	1,138,736	674,047	347,475
1990	3,409,805	2,556,595	853,210	672,040	150,989
1991	3,096,381	2,436,378	660,003	630,833	19,333
1992	3,361,073	2,555,974	805,099	651,155	2,644
1993	3,332,713	2,512,414	820,299	644,444	101,781
1994	3,636,774	2,610,782	1,025,992	705,080	201,586
1995	4,061,889	2,941,174	1,120,715	756,788	294,953
1996	4,513,918	3,200,267	1,313,651	831,466	403,265
1997	4,619,158	3,440,026	1,179,132	875,151	204,260
1998	5,222,516	3,778,344	1,444,172	977,112	517,422
1999	5,025,080	3,893,814	1,131,266	927,552	283,661
2000	5,510,194	4,173,638	1,336,556	962,515	325,358
2001	5,803,160	4,375,711	1,427,449	1,054,180	353,424
2002	6,318,729	4,841,662	1,477,067	1,193,025	274,305
2003	4,875,216	4,402,582	472,634	857,629	52,088
2004	5,695,372	4,478,792	1,216,580	996,029	76,492
2005	5,436,118	4,479,000	957,118	948,886	2,212
2006	5,418,927	4,682,000	736,927	1,053,744	72,005
2007	5,773,046	4,514,467	1,258,579	1,082,505	37,365
2008	4,630,069	3,945,803	684,266	790,384	62,918
2009	4,083,173	3,452,488	630,685	886,854	250,000
2010	4,276,415	3,644,378	632,037	886,597	250,000
2011F	4,515,215	3,625,503	889,712	-	250,000
Total	\$124,144,925	\$96,273,655	\$27,871,270	\$22,032,469	\$6,142,998

Source: Casa Loma; Note: Payments to City of Toronto includes property taxes from 1987.

Note: annual surpluses/deficits were contained annually in a Casa Loma account. Upon termination of the Kiwanis agreement in 2010, any outstanding deficits were cleared.

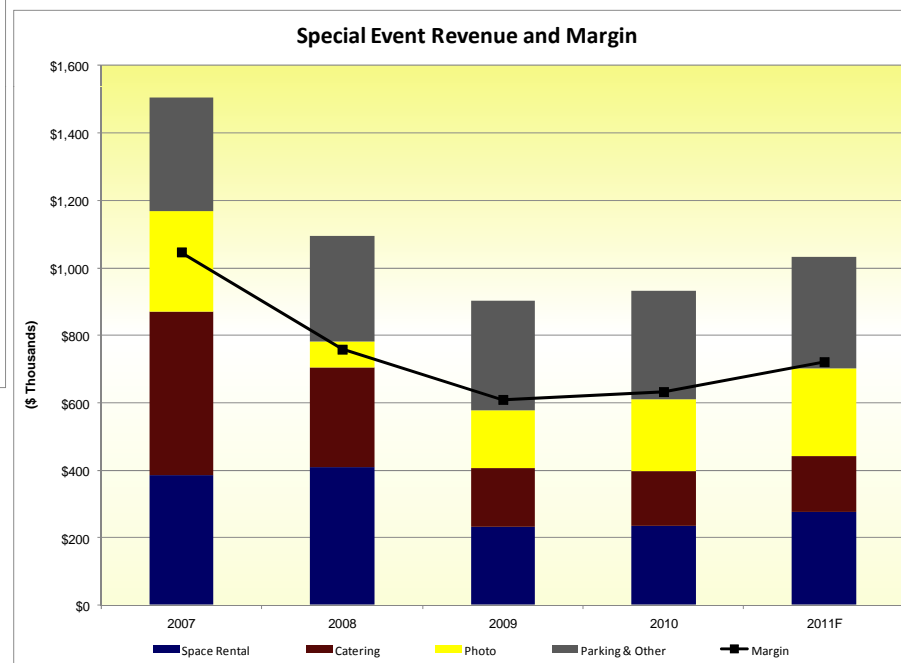
REVENUE AND OPERATING MARGIN

As outlined in the business model section, the Casa Loma “business” has two primary segments: heritage attraction from which box office/admission revenue is generated and special event/rental revenue.



Special event revenue dropped dramatically since 2007. Renovations to the Scottish Tower (requiring much of the building to be covered in scaffolding) together with the recession in the fourth quarter of 2008 and into 2009, and the uncertainty created through the caterer RFP process, have together had a significant negative impact on special event revenue.

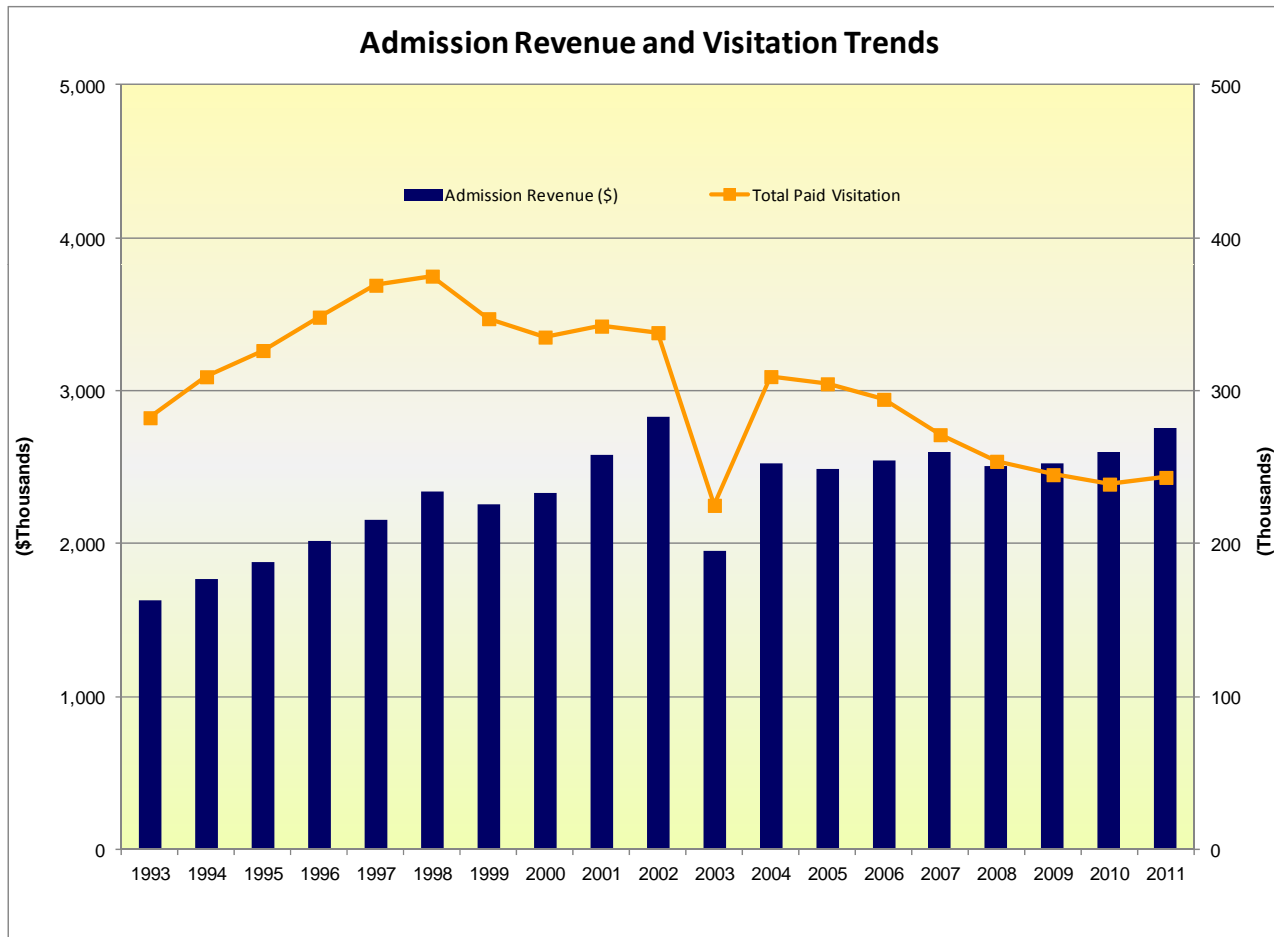
Despite declines in visitation, admission revenues have increased slightly over the past five years. Operating margins (i.e., revenue less wages and direct admission-related expenses such as audio guide costs) as a percentage of admission revenue has also been maintained. In 2007, Casa Loma instituted a policy to include the audio guide in the admission price (the adult admission price in 2007 increased from \$12 to \$17).



Note: Catering revenue in 2007 is net of in-house catering expenses

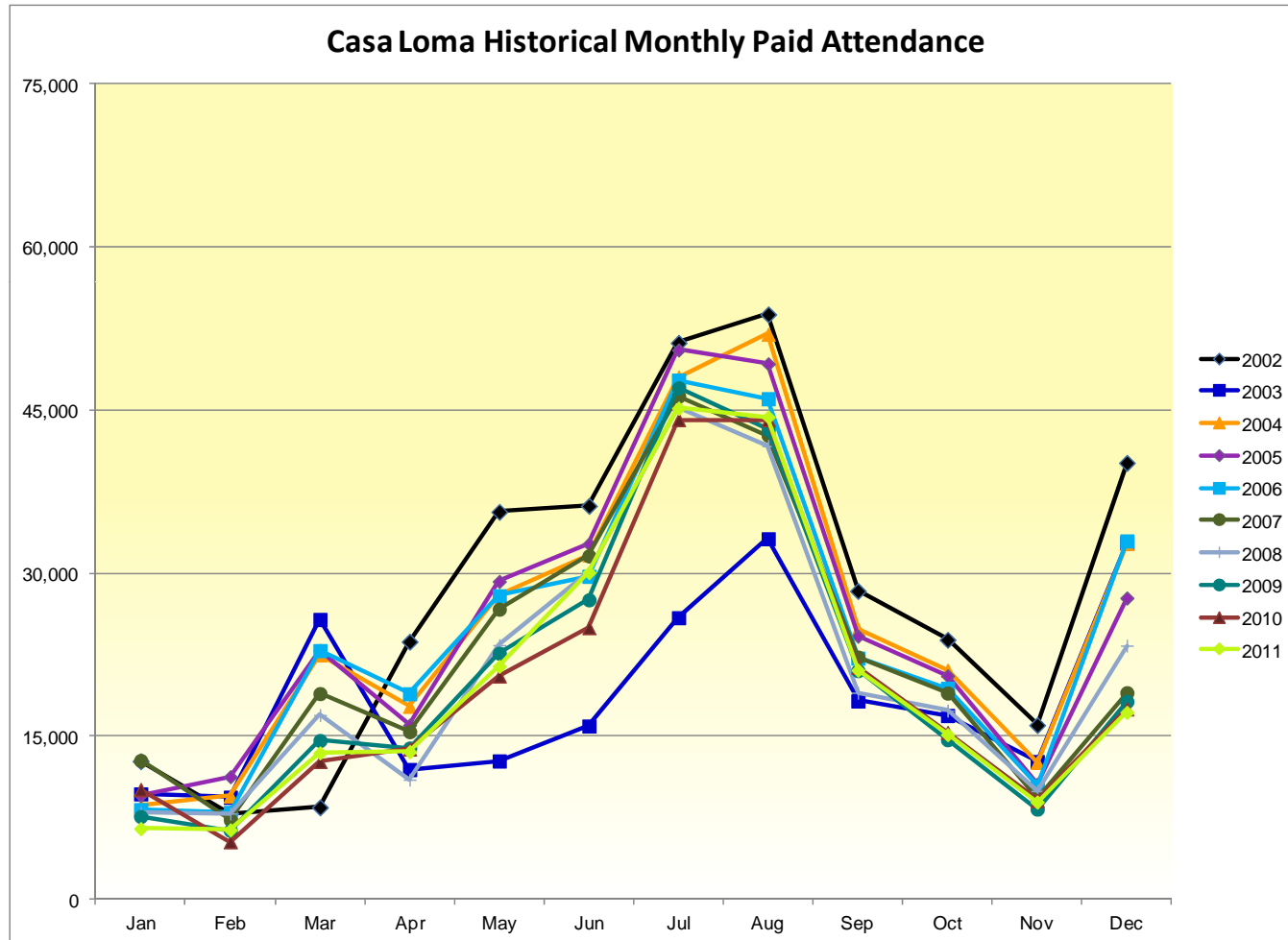
ANNUAL VISITATION

Paid admissions (before consideration of associated revenues from food, beverage, gift shop and parking) remains the single greatest source of revenue at Casa Loma despite a decline in attendance that began in 1998. Attendance in 2011 of 243,000 is about one third less than the peak attendance achieved in 1998 of 375,000.



SEASONALITY

Casa Loma, not dissimilar to other Toronto-area attractions, generates a substantial portion of visitation over the summer months with July and August being peak months. February and November post the lowest attendance numbers. Seasonal activities (e.g., Christmas, Easter, Mother's Day result in temporary visitation spikes.

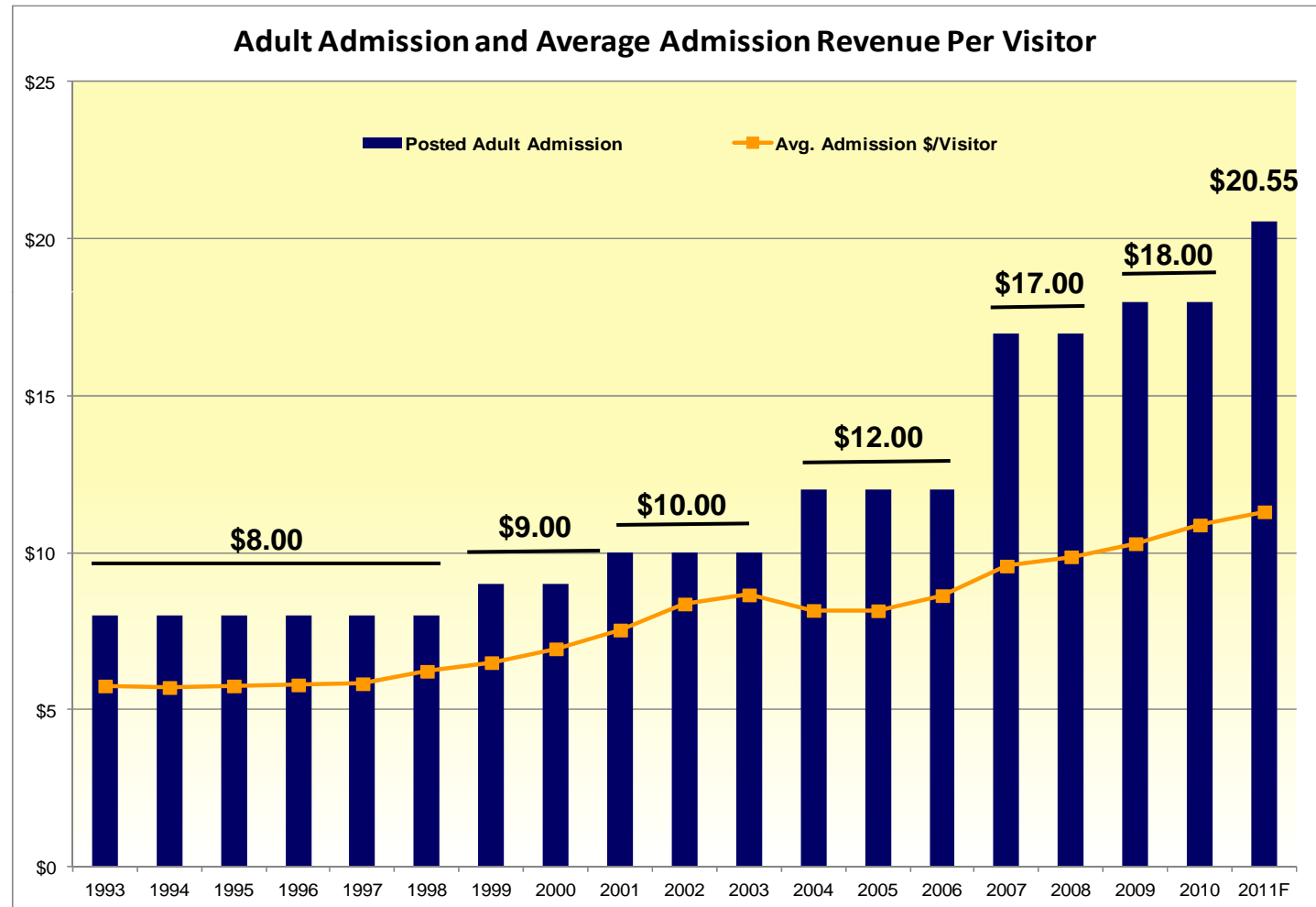


AVERAGE ADMISSION PRICING

Over the past approximately 20 years, ticket price increases have been modest and generally two to three years apart. The exception was in 2007 when the decision to include the audio guide in the ticket prices resulted in a 42% adult (and corresponding for other admission categories) ticket price increase.

While growth in the number of City Pass tickets (a discounted bundle of admissions marketed by Toronto attractions) and ongoing changes in visitor composition (i.e., proportion of adults, children and seniors), the tendency towards more aggressive discounting since the last price increase has lead to a greater gap between posted adult ticket price and average admission/visitor.

Note: The average admission per visitor is the total admission revenue divided by the total visitors.



VISITATION BENCHMARKS AT SELECTED TORONTO ATTRACTIONS

The "G7" group of Toronto attractions (i.e., Casa Loma, Toronto Zoo, Royal Ontario Museum, Art Gallery of Ontario, CN Tower and Ontario Place) share attendance and performance data on a regular basis, and have done so for the past ten years. These data provide a solid resource of comparable operating data within a Toronto context.

- **Satisfaction**—Casa Loma performs well with respect to overall levels of satisfaction, producing a greater tally of "exceed" and "met" expectations than the G7 average. Of equal importance is the almost insignificant number of visitors disappointed with their visit.
- **Length of visit**—Among the G7 attractions, Casa Loma posts some of the longer "stay times" with 70% staying between one and three hours. Only one other Toronto attraction retains visitors longer within this time parameter.
- **Regularity of visitation**—Casa Loma is a much less frequently visited attraction than other G7 attractions, with almost 80% having not visited within the last year and 55% not visiting within the last three years. The G7 average suggests much greater repeat visitation among the remaining attractions.
- **Location of survey respondents**—As the G7 survey is conducted simultaneously at all seven attractions, the proportion of Toronto residents within the overall sample is not surprising. The interest in Casa Loma from non-GTA residents is markedly greater than other G7 attractions.

Location of Visitor Permanent Residence		
	Casa Loma	G7 Average
GTA Core	19%	32%
GTA Suburbs	34%	31%
Outside GTA - Within Ontario	10%	12%
Another Province	7%	5%
US	17%	9%
Another Country	13%	11%

Source: HarrisDecima G7 - Year 10 Year End Report 2012

Overall Evaluation of Attraction - Comparison to Original Expectations		
	Casa Loma	G7 Average
Exceeded Expectations	37%	29%
Met Expectations	59%	62%
Fell Below Expectation	3%	8%
Don't Know	1%	1%

Source: HarrisDecima G7 - Year 10 Year End Report 2012

Casa Loma - Length of Visit		
	% Respondents	Ranking Amongst G7
1 hour or less	9%	4
1 hour to 2 hours	38%	2
2 hours to 3 hours	32%	2
3 hours to 4 hours	15%	6
>4 hours	6%	6

Source: HarrisDecima G7 - Year 10 Year End Report 2012

Casa Loma - Timing of Last Visit to Attraction		
	Casa Loma	G7 Average
Within Past 6 months	7%	21%
6 to 11 months ago	5%	11%
1 to 3 years ago	24%	28%
More than 3 years ago	55%	38%
Don't remember	9%	2%

Source: HarrisDecima G7 - Year 10 Year End Report 2012

VISITATION COMPARABLES

Recognizing the survey sample weighting toward GTA residents, the survey questions regarding awareness and attractiveness of Casa Loma are revealing.

- Awareness—Casa Loma is not believed to be one of the better known attractions in Toronto, certainly when compared to the likes of the Royal Ontario Museum, CN Tower and Ontario Science Centre. Casa Loma's marketing budget of about \$400,000 pales in comparison to that of the Royal Ontario Museum (\$5.28 million in 2009/2010), Ontario Science Centre (\$2.3 million in 2009/2010) and the Toronto Zoo (\$5.1 million in 2010).
- Source of information on attractions visited—Casa Loma depends, to a much greater extent than other G7 attractions, on word of mouth and the Casa Loma website. These results may be as much a result of the absence of any other forms of promotion than the effectiveness of word-of-mouth or the website.
- Barriers to visitation—when asked about reasons Casa Loma was not visited desirability of other attractions and lack of awareness of Casa Loma were the most prevalent responses.

Casa Loma - Barriers to Visitation

	Casa Loma	G7 Average
Other Attractions More Desirable	43%	39%
Nothing New there/Outdated	21%	15%
Don't know enough about it	28%	14%
Nothing to see or do there	16%	9%

Source: HarrisDecima G7 MarCom Study 2011

Influential Information Sources to Market Attraction

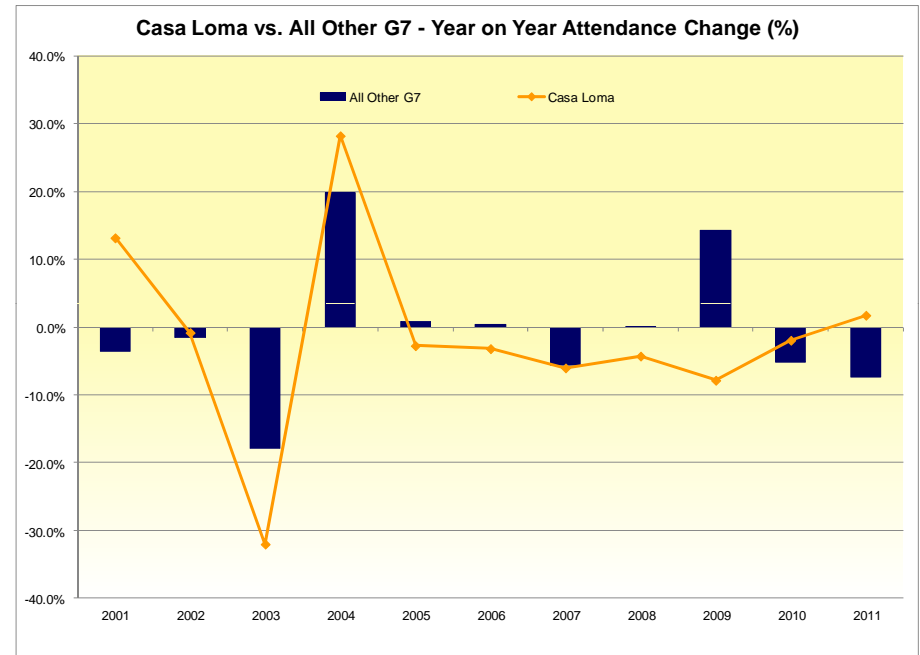
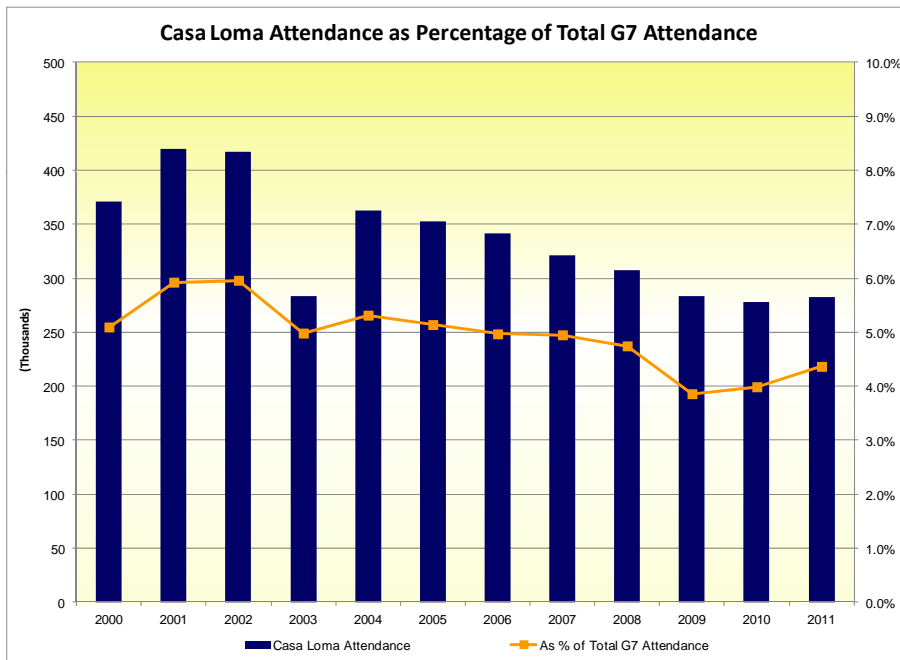
	Casa Loma	G7 Average
Word of Mouth	44%	31%
Attraction Website	31%	14%
Other Websites	15%	5%
CityPass Booklet	13%	4%
Other Brochure/Guidebook	9%	4%
Previous Visit	9%	5%

Source: HarrisDecima G7 - Year 10 Year End Report 2012

VISITATION BENCHMARKS

Similar to all G7 attractions, Casa Loma experienced the same sharp visitation decrease in 2003 followed by a strong recovery the following year although Casa Loma's 2003 decrease and 2004 recovery were more pronounced than the G7 average. Since then, Casa Loma's year-over-year visitation growth has fallen behind that of G7 comparables, with the exception of 2011.

As a result, Casa Loma visitation as a percentage of total G7 visitation has been declining since 2004, with a significant fall off in 2009. Relative to other G7 attractions visitation slippage seems to have been stemmed in 2011.



G7 attraction pricing is somewhat similar (all prices are for adult tickets and include taxes) with Casa Loma's adult ticket price of \$20.55 compared to

- Royal Ontario Museum: \$15 (reduced from \$24 last year)
- Art Gallery of Ontario: \$19.5
- Toronto Zoo: \$23
- CN Tower: \$23.99
- Ontario Science Centre (including IMAX): \$28

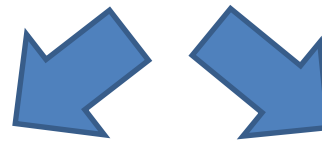
FRAMEWORK FOR OPTION EVALUATION

DECISION PATHWAY

A broad consultation among neighbours, the heritage community, local businesses, the Toronto tourism industry and a public-consultation session drove consideration of the future uses of Casa Loma to one clear question:

Should the current use of Casa Loma (i.e., heritage tourist attraction and event venue) be maintained?

This question has two possible outcomes (and potential for a combined outcome) as well as secondary questions with respect to delivery:



Outcome/Option #1: Maintain Current Use	Outcome/Option #2: Change Current Use
<p>What is the best method to deliver the current use?:</p> <ul style="list-style-type: none">• Directly managed by the City• Indirectly managed by the City• Third-party management contract (for all or part of current operations) or short-term lease (i.e., less than 21 years)• Long-term lease or sale (with restrictions to ensure current usage) <p>This scenario contemplates the current use but potential to enhance current operations through increased visitation, a greater number of events or other means to increase usage and revenue.</p>	<p>If a change of use is contemplated, what uses should be considered?:</p> <ul style="list-style-type: none">• Single-family Residential• Multi-family residential• Commercial/Retail• Institutional <p>What mechanism should be used to deliver the selected use?:</p> <ul style="list-style-type: none">• Sale of the property (recognizing the City is unlikely to fill role of developer)• Long-term lease of the property (recognizing the City is unlikely to fill role of developer)

These two options are not necessarily mutually exclusive (i.e., maintaining the use could be the primary focus but some limited use changes may be considered for one or more of the properties/buildings).

EVALUATION ENVIRONMENT

The environment within which the “use” decision must be made contains a number of issues and considerations, including:

Landmark Status

- Casa Loma is a high-profile, iconic symbol of Toronto
- Recognized as a unique, heritage asset
- Precedence for preservation of City heritage

Decision on Casa Loma Future under scrutiny by multiple stakeholders

- Torontonians at large
- Casa Loma neighbours (residents and businesses)
- Heritage community
- Tourism industry
- Taxpayers

Restrictions on change of use/future development

- Significant limitations on building alterations
- Significant restrictions on changes of use
- Sale/long-term land lease requires “surplus” designation

Time

- Renovation and repairs are immediate needs
- Direction is required now to prevent escalation of costs and/or risk of losing parts of structures

Role of City of Toronto

- Core services review questions appropriate role of City in operating assets such as Casa Loma

Capital Requirements

- Minimum \$16.5 million over short- and medium term for vital building repairs
- Unknown medium- and long-term capital needs
- Interior capital needs will depend on use (but basic needs could be substantial: \$5 million +)

Operations

- Cash flow from current operations exceeds \$900k per annum
- Potential new revenue sources (e.g., sponsorship) and/or cost savings (e.g., partial closure, reduced programming)

City Financial Position

- Limited budget to address capital requirements, within required time frame

EVALUATION ENVIRONMENT (CONT'D.)

The environment within which the “use” decision must be made contains a number of issues and considerations, including:

	Maintain Current Use	Change of Use
Landmark status	<ul style="list-style-type: none"> Preserves buildings and property Maintains public access Maintains tourism asset 	<ul style="list-style-type: none"> Might alter buildings and property Potential elimination of public access Removes tourism asset Potential negative impact on neighbours
Scrutiny by multiple stakeholders	<ul style="list-style-type: none"> Some resistance likely on substantive (even modest) changes to buildings 	<ul style="list-style-type: none"> Significant resistance from heritage community, neighbours, tourism industry
Restriction on change of use	<ul style="list-style-type: none"> Not applicable except for modifications required to enhance operations 	<ul style="list-style-type: none"> Use options limited due to heritage and zoning constraints
Time	<ul style="list-style-type: none"> More responsive to timing needs (assuming decision on approach to maintaining current use is made in a timely manner) 	<ul style="list-style-type: none"> Time to implement is unknown...but likely very lengthy May negate some interest
Role of City of Toronto	<ul style="list-style-type: none"> Options for full or limited engagement depending on delivery model chosen 	<ul style="list-style-type: none"> Through sale or long-term lease capital improvement requirements minimized
Capital requirements	<ul style="list-style-type: none"> Unlikely to transfer 100% of capital cost responsibility Sponsorship/foundation opportunity 	<ul style="list-style-type: none"> Unlikely to transfer 100% of capital cost responsibility Will depend on whether buildings are sold or leased by the City to alternate user
Operations	<ul style="list-style-type: none"> Increased visitation may create noise/traffic issues for neighbourhood 	<ul style="list-style-type: none"> Not applicable
City financial position	<ul style="list-style-type: none"> Funding of capital requirements is uncertain 	<ul style="list-style-type: none"> Generates revenue from land sale or lease Eliminates future funding obligation unless capital needs aren't transferred in lease

ADDITIONAL CONSIDERATIONS

In addition to the broader evaluation environment several more specific factors should also be taken into consideration including the tenants, third-party contracts, severance obligations and other City payments as summarized below. The degree to which these factors create a financial obligation depends on whether the use remains the same (in which case some or all of these arrangements may continue on) or is changed.

Tenants

Several tenants could be affected by change in use or a decision to deliver the existing use in an alternate manner, including:

- Girl Guides of Canada
- Kiwanis
- Queen's Own Rifles
- Toronto Theatre Organ Society
- Renaissance Fine Homes

All of these tenancies are cancellable on relatively short notice with no financial penalty to the Corporation. While none have significant financial implications however, there will be historical and community issues to address. More detail on the tenancy arrangements are included in Appendix D.

Contracts

As with Casa Loma tenants, several existing service contracts will have to be addressed, the most significant of which are:

- Pegasus Catering Group—the agreement is cancellable on 120 days notice with repayment of the unamortized cost of Pegasus' investment. The unamortized cost of investment is likely in excess of \$500,000.
- Acoustiguide—cancelling the agreement would likely result in a charge for the unpaid quarterly installments, currently scheduled to run until 2015, of at least US\$340,000 as at the end of 2012.

All other contracts are cancellable on demand including:

- Carpark Management Services
- Hurley (cleaning)
- Reilly Security

All contracts are summarized in Appendix E.

Severance

Twenty full-time staff are employed by the Corporation, many with 20+ years of service. Full-time staff salaries in 2011 (before benefits) were about \$1 million. If a change of use is contemplated, severance costs for the full-time staff complement is estimated to be in the order of \$400,000 to \$950,000.

Property Taxes

The property tax paid by Casa Loma was reduced in 2010 from approximately \$187,000 to \$86,000. Property taxes have been waived in 2011 and 2012. Any change of use would trigger property tax (incremental City revenue) at the applicable rate for the new use. Property taxes applicable to a scenario where the use is maintained will likely be negotiable.

OPTION ANALYSIS

BASIS FOR ANALYSIS

Within each of the “maintain current use” and “change current use” options, additional choices exist with respect to delivery of each option. The framework for evaluating these choices is summarized below.

Maintain Current Use

For a situation where the use is maintained, the delivery mechanism must:

- Address the \$16.5+ million in unfunded capital needs
- Maintain, ideally improve, profitability in order to ensure long-term self sufficiency
- Protect the heritage integrity of the land and buildings
- Respect zoning limits on the approved “Casa Loma” use
- Address existing tenancies and contracts

The delivery mechanism should also:

- Address interior capital cost needs
- Optimize use of the heritage asset
- Ensure public access

Change Current Use

Considerations in evaluating options for different uses include the type of use:

- Single-family residential
- Multi-family residential
- Commercial/retail
- Institutional

And the reasonability of being able to deliver the use, including consideration of:

- Zoning (what is permitted or could be permitted)
- Heritage implications
- Community impacts
- Economic impacts
- Marketability/potential interest
- Potential revenue

These frameworks have been used to comment on delivery mechanisms for each option on the following pages.

OPTION ANALYSIS: MAINTAIN CURRENT USE—DELIVERY SCENARIOS

Four distinct delivery mechanisms can be identified for the “Maintain Current Use” option, as follows:

Delivery Option:	Advantages/Disadvantages	Comments
Direct City managed —including subsuming Casa Loma into either a City department or into another City attraction	<ul style="list-style-type: none"> ✓ Enables direct control over operations ✓ Could contract out certain elements ✗ Most restrictive operating environment ✗ Direct control might limit sponsorship ✗ No involvement of external skills 	The most restrictive option and also most likely the costliest given requirement to adhere to City labour agreements and bureaucratic policies.
Indirect City managed —including the status quo (City Services Corporation) or other structures with an independent/quasi-independent board	<ul style="list-style-type: none"> ✓ Less restrictive operating environment ✓ Influence over operations ✓ Could contract out certain elements/maintain current contracts ✗ Direct control might limit philanthropy ✗ External skills only as contracted out 	Provides a degree of independence including the use of an external advisory board (which could bring operational and management expertise). Easiest to implement and transition.
Third-party managed or short-term lease —public or private entity(s) with relevant operational and business management experience; commitment for increments of 10 years or less (plus potential renewals). A similar structure could involve a short-term lease.	<ul style="list-style-type: none"> ✓ Engages external parties in creative solutions ✓ Permits formation of teams ✓ Brings capacity for quick implementation ✓ City could still influence operating policy ✓ Creates opportunity for private investment ✗ Potential pressure on heritage integrity ✗ City gives up some control ✗ Cost of existing contract cancellations ✗ City retains capital obligation 	This delivery option, and the process to identify and encourage proposals, is an efficient means of generating creative solutions (and investment) while protecting the City’s ability to impose policy and operating restrictions (within reason). Interviews with potentially interested parties as part of this process confirmed significant interest to “acquire” the Casa Loma buildings.
Long-term lease (i.e., 21 years or more) or sale —transfer ownership of Casa Loma with conditions requiring maintenance of current uses	<ul style="list-style-type: none"> ✓ Transfers all risk and capital requirements to third party ✗ Cede control of heritage asset ✗ Need to have land deemed as surplus 	Not able to transfer capital renovation requirement (return not commensurate with investment). This option is not necessary to achieve “maintain use” objective.

OPTION ANALYSIS: MAINTAIN CURRENT USE—REVENUE POTENTIAL

A host of potential revenue opportunities may be available to enhance the current operating surplus at Casa Loma. These opportunities are noted as a means of quantifying order-of-magnitude revenue increases and should not be taken as recommendations or conclusions. The revenue growth opportunities will be a function of strategic and business plans implemented by the eventual operator.

Revenue Growth Opportunities	Comments
Increased visitation	Paid admission peaked in 1998 at 375,000 versus 243,000 in 2011, a difference of 132,000. At 2011 pricing, a return to 1998 visitation would generate about \$1.5 million with no incremental operating cost. Both off season (locals) and high season visitors should be targeted for growth.
Higher and/or a la carte pricing	The 2012 G7 findings show Casa Loma achieved an 8.8/10 score for overall satisfaction and an 8.1/10 on value for money. Any dissatisfaction may be more a function of product than price. Further price increases or pricing adjustments on a seasonal (i.e., garden) and special event/holiday basis might be considered to exploit “one-time” peak season visitors. Resident/annual passes could be further promoted to alleviate pricing pressure on repeat, local visitors.
More “content”	Many of the consulting studies undertaken at Casa Loma over the last several years have pointed to the need for additional programming ranging from Edwardian lifestyle, to Toronto history to gothic/architectural interpretation. The audio guide programming is believed to be a significant factor in visitors to Casa Loma averaging a 1.9-hour stay however, additional “content” delivered through temporary or permanent exhibitions would further increase stay-time and the potential for increased revenue.
Increased per capita food, beverage and retail spending	Satisfaction with food and gift shop offerings are among Casa Loma’s worst results in the G7 survey. These satisfaction levels almost certainly result in weakened sales. Retail and food and beverage purchases in successful attractions can reach 50% or more of admission revenues. Casa Loma gift shop revenue in 2011 was less than \$1.50 per visitor. Revamping, reprogramming, relocating and/or completely reformatting the café/patio/restaurant and gift shop offerings could be a key area of revenue enhancement.
Community usage	Public consultation, notably with neighbouring residents, suggested more opportunities for community use (potentially via an annual membership in the off season) of the buildings for such activities as club meetings and related social activities (although a cost recovery policy is needed). Enhancement of the food and beverage offerings might complement this opportunity.

OPTION ANALYSIS: MAINTAIN CURRENT USE—REVENUE POTENTIAL (CONT'D.)

Revenue Growth Opportunities	Comments
More efficient use of space	Some of the more interesting spaces in Casa Loma (e.g., turrets, front balcony room) are used for administrative purposes while other areas (i.e., basement café, gift shop) are underutilized or unfinished (e.g., swimming pool). This, coupled with similarly attractive spaces occupied by tenants (e.g., Queen's Own Rifles, Kiwanis) presents an opportunity for more efficient, relevant and potentially revenue-generating programming in optimized spaces.
Venue rentals/Catering	Possibly one of the greatest opportunities at Casa Loma, based on past sales volume and interest expressed from Toronto-area caterers, is for more venue rental activity. Revenue potential is difficult to quantify although within the past five years Casa Loma rental and associated catering revenues have been more than twice the level achieved in 2011. The challenge in maximizing revenue from this source will be balancing public access/heritage attraction operations with rental/catering operations (some operators expressed interest in Casa Loma as a dedicated event venue). A key factor in realizing greater venue rentals is an intensified, integrated (i.e., venue and caterer/caterers) sales team as well as core building improvement to ensure competitiveness of Casa Loma facilities (e.g., air conditioning, improved washrooms, elevator access).
Commercial intensification	Some limited opportunities may exist for commercial intensification of some Casa Loma buildings such as the Castle (e.g. office, display, customized retail), Hunting Lodge (e.g., restaurant) and Stables (e.g., seasonal food or flower market) where the commercial intensification is consistent with the tourist focus of the complex.
Sponsorship and philanthropy	Sponsorship has been addressed in previous Casa Loma studies but has never been approached in a methodical and tactical manner. Further, the controversy over Casa Loma management and gradual deterioration of the building has made this revenue opportunity less appealing. A sponsorship program tied to a longer-term strategic vision for Casa Loma might have the potential to generate significant interest, including major gifts to address some interior renovation needs (with appropriate recognition).

The expectation/assumption is that these revenue enhancements would be delivered via professional management.

OPTION ANALYSIS: MAINTAIN CURRENT USE — CONCLUSIONS

Based on the analytical framework set out above and the delivery options available for a “Maintain Current Use” scenario, the following conclusions may be drawn:

- The “Direct City-Managed” and “Long-Term Lease or Sale” options are not believed suitable to achieve the underlying objectives set out on slide 38 because:
 - The Direct City-Managed option will add significant additional cost to ongoing operations (i.e., labour) and is unlikely to generate substantive sponsorship contributions in the short term.
 - The Long-Term Lease or Sale option is neither viable given private-sector return expectations nor necessary to achieve the underlying objectives.
- The Indirect City-Managed option allows more flexibility than the Direct City-Managed option however, this option will not permit:
 - The potential involvement of external attraction and/or special event management groups with broader experience in a variety of similar projects than the management team currently in place (unless contracted to supply specific functions or services).
 - Canvassing public- and private-sector parties for creative approaches to the challenges facing Casa Loma;
 - The operational independence likely necessary to secure meaningful amounts of sponsorship; or
- The Third-Party Managed/short-term lease option has the potential to bring proven management expertise (perhaps via one or more members within a consortia assembled specifically for this opportunity) to operate Casa Loma conditional on terms and conditions established by the Board. This option offers the most flexibility (and depending on how a public “call” is conducted does not bind the Corporation to any one solution) as well as the potential for:
 - Multiple submissions addressing individual Casa Loma properties (e.g., a concept to operate the Stables independently from the Castle)
 - The requirement of a minimum investment thresholds (e.g., interior improvements, sponsorship, commercial intensification).
 - The opportunity to tailor governance mechanisms to protect specific aspects of Casa Loma (e.g., public access, heritage integrity) even if the attraction and special event “business” was contracted out to one or more third parties.

Given these conclusions, the third-party management option should be explored to ascertain the level of interest, potential revenue sharing arrangements and associated operating restrictions. Such a process should utilize a well-publicized public “call” to ensure input from the widest potential source of third-party managers. The Indirect City-Managed option remains a fallback solution if a suitable third-party is not identified.

OPTION ANALYSIS: CHANGE CURRENT USE—OPTIONS AND APPROACHES

The basis for analyzing the “Change Current Use” was to better understand the value implications under a number of potential uses other than the existing use. Several alternative uses were identified and were analyzed based on the physical improvements existing on the property, the locational attributes, land use planning in the local area, the historic designation of the buildings and the outstanding capital requirements for structural building repairs. The southerly one third of the main Casa Loma site is designated “Environmentally Sensitive” and these lands are excluded from our analysis.

Each option analyzed addresses four broad alternative uses for each of the Castle, Stables and Hunting Lodge, specifically: single-family residential, multi-family residential, commercial/retail and institutional. The following general assumptions were also made in assessing options:

- City approval could be obtained to allow such changes.
- Zoning modifications required to achieve the change of use (e.g., density allowances in the multi-family residential option) are factored into the potential revenue BUT, a degree of risk of achieving these zoning changes is assumed to be that of the developer. Depending on the degree of commitment the City is prepared to give in this regard, any sale may be conditional and will greatly affect the sale price.
- For the most part, these options assume a sale or long-term lease of the lands and buildings to an external developer. The City is not assumed to take on any development risk.
- Basic structural integrity of the buildings are assumed (which may result in additional renovations/upgrades prior to sale).

A summary of the four alternative uses is included in the following four pages. Appendix F contains the complete CBRE report.

OPTION ANALYSIS: CHANGE CURRENT USE—SINGLE-FAMILY RESIDENTIAL

Casa Loma was originally constructed as a residence and could be readily adapted to this use. The Hunting Lodge was also designed and built as a home as was the former chauffeur residence at 330 ½ Walmer Road. The former Stables and Potting sheds are special purpose buildings which would be challenging to convert to residential uses and which would require significant improvements to bring them to a habitable state.

The existing buildings on the site are designated and could be potentially converted to single family uses.

The Toronto residential market has been exceptionally strong over the past decade with strong buyer demand and rising prices. As such we would expect there would be strong interest in the property for single family use.

The use of the property as single family residences is compatible with the surrounding residential uses. Current density on the sites are in keeping with the current 60% density allowed in the residential areas to the north and west of the property.

The value estimates are based on a review of available data for transactions of higher value homes in Toronto's most desirable neighborhoods. We examined the pricing of these homes on a price per square foot of building to derive an indication of potential pricing assuming the buildings were in good condition and modernized.

Pricing for Casa Loma would be impacted by the size of the buildings, the cost associated with improving the property and the high public profile of the property which may deter some buyers.

The building would require the structural repairs completed and a certain amount of modernizing to meet current standards for a luxury home. Cost to carry out these improvements is unknown at this time although structural repairs alone are estimated at \$20.0M. For purposes of this analysis, we have used a repair/renovation cost of \$500 per SF of building.

OPTION ANALYSIS: CHANGE CURRENT USE—SINGLE-FAMILY RESIDENTIAL CONT'D.

	Castle	Hunting Lodge	Potting Sheds, Stables, 330 ½ Walmer Road
Approximate Site Area (SF)	166,769*	20,000	54,014**
Building Area (SF)	64,700	3,592	18,072
Zoning	G	G	G
Official Plan	Open Space and Natural Area	Open Space	Open Space
Legal	Council Approval Required Official Plan and Zoning Amendment Required	Council Approval Required Official Plan and Zoning Amendment Required	Council Approval Required Official Plan and Zoning Amendment Required
Heritage	Designated building	Designated building	Designated building
Conversion Potential	Good	Very Good	Fair -Good
Public Accessibility After Sale	No	No	No
Economic Impact	Loss of operating revenue	Loss of operating revenue	Loss of operating revenue
Community Impact	Compatible use	Compatible use	Compatible use
Physical Adaptability	Good	Good	Fair- Good
Marketability	Fair-Good	Good	Fair-Good
Renovation Cost (Estimated Base Building+ Interior)	+/- \$25.0M	+/- \$2.50M	+/- \$12.0M
Potential Revenue (Net of Renovation Cost)			
Not Less Than	\$25.00M	\$3.00M	\$6.00M

*Excludes Natural Area

** Excludes City Park

OPTION ANALYSIS: CHANGE CURRENT USE—MULTI-FAMILY RESIDENTIAL.

Casa Loma is located in a highly desirable residential area which has seen a significant escalation in land and home prices. The increase in land values and the desirability of living in the inner city have created pressure to increase density levels in central areas.

Casa Loma is proximate to several other medium-density residential developments situated south of Davenport Road. In addition, smaller infill development has occurred on the northwest corner of Austin Terrace and Spadina Road, just north of Casa Loma.

The existing buildings on the site are historically designated and could be incorporated into a new development. For the Casa Loma site, additional development could occur on the east and west parts of the site and could be linked to the existing building. For the Hunting Lodge, Potting Shed, Stables and 330 Walmer Road, development could again incorporate existing buildings while additional development could potentially occur at the rear of the existing buildings. It should be noted the presence of the buildings could ultimately impact the density permitted on the sites.

Multiple family residential is compatible in terms of its use but density would be higher than the immediate area to the north. Medium Density uses in the surrounding areas are typically at the 2.0X level versus the 0.60X allowed in the residential area to the north.

The value estimate for the land is based on recent transactions for similar medium density land. The Casa Loma lands are well situated and would be expected to achieve pricing at or above the market indicators. The estimated pricing is based on land value—it is unclear on the contributory value of the existing structures on the site as these would need significant improvements to be incorporated as part of any new development.

OPTION ANALYSIS: CHANGE CURRENT USE—MULTI-FAMILY RESIDENTIAL CONT'D.

	Castle	Hunting Lodge	Potting Sheds, Stables, 330 ½ Walmer Road
Approximate Site Area (SF)	166,769*	20,000	54,014**
Building Area (SF) (Excluding Basement)	64,700	3,592	18,072
Zoning	G	G	G
Official Plan	Open Space and Natural Area	Open Space	Open Space
Legal	Council Approval Required Official Plan and Zoning Amendment Required	Council Approval Required Official Plan and Zoning Amendment Required	Council Approval Required Official Plan and Zoning Amendment Required
Heritage	Designated Building	Designated building	Designated buildings
Conversion Potential	Good	Good	Good
Public Accessibility	Access may be allowed as part of new development	Access may be allowed as part of new development	Access may be allowed as part of new development
Economic Impact	Loss of Operating Revenue	Loss of Operating Revenue	Loss of Operating Revenue
Community Impact	Compatible use -Increased Density	Compatible use -Increased Density	Compatible Use –Increased Density
Physical Adaptability	Incorporate existing building	Incorporate existing building	Incorporate existing buildings
Marketability	Very Good	Very Good	Very Good
Potential Revenue			
Not Less Than	\$42.00M	\$6.00M	\$14.00M

*Excludes Natural Area, ** Excludes City Park, *** Existing building would be included in new development.

OPTION ANALYSIS: CHANGE CURRENT USE—COMMERCIAL/RETAIL

Under Commercial/Retail scenario the potential use of the property was based on its conversion to commercial uses such as office and/or retail uses.

Casa Loma is situated in a primarily residential area and is removed from any commercial concentrations. As part of its current use, Casa Loma does operate commercial outlets including a Gift shop, Café and event space.

Casa Loma and the Hunting Lodge could potentially be converted to office and retail uses -portions of the main level at Casa Loma and the main floor of the Hunting Lodge could have potential for uses such as a restaurant. The Potting Shed and the Stables have limited utility and would be difficult to convert to usable commercial space. This space may lend itself to an innovative user such as a gallery or studio.

The property was considered under two scenarios – as a leased facility where the City would retain ownership and act as landlord and as a commercial investment property to be sold to an investor.

To estimate the potential income on a lease basis, lease rates for similar space was reviewed. Rental rates for loft style office space on the downtown periphery ranges from \$20.00 to \$25.00 per SF on a net basis. Rent for well-located restaurants in the City can range as high as \$50.00 per SF. As noted, the location of Casa Loma is secondary from a commercial point of view based on its location.

To position the space for lease, the City would be required to repair the building and renovate the space to a leasable condition. Again, data is not available on the cost to complete this work but a cost of \$500 per SF is used for the analysis.

In terms of the potential value as a commercial investment property, we reviewed recent transactions of comparable office developments including the sale of two of Toronto's more iconic building, Toronto Street and the Flatiron building on Front Street. These sales indicate high values per SF of building and both are highly recognized buildings. Both are well located in the downtown core and did not have the structural repair requirements of Casa Loma. More typical office commercial buildings reflect values in the \$500 per SF range.

As a commercial investment property, the price paid by an investor would be reduced by the cost to repair the buildings and convert the space. In this case, the expected cost to repair and convert the building would reduce the value to an investor to a nominal value. An owner/user may acquire the building as a corporate headquarters and may acquire at a higher price than an investor.

OPTION ANALYSIS: CHANGE CURRENT USE—COMMERCIAL/RETAIL CONT'D.

	Castle	Hunting Lodge	Potting Sheds, Stables, 330 ½ Walmer Road
Approximate Site Area (SF)	166,769*	20,000	54,014**
Building Area (SF)(Net Area)	64,700	3,592	18,072
Zoning	G	G	G
Official Plan	Open Space and Natural Area	Open Space	Open Space
Legal	Council Approval Required Official Plan and Zoning Required	Council Approval Required Official Plan and Zoning Required	Council Approval Required Official Plan and Zoning Required
Heritage	Designated	Designated	Designated
Conversion Potential	Fair - Good	Good	Fair - Good
Public Accessibility	No	No	No
Economic Impact	Loss of Operating Income	Loss of Operating Income	Loss of Operating Income
Community Impact	Somewhat Compatible	Somewhat Compatible	Somewhat Compatible
Adaptability	Fair- Good	Good	Fair -Good
Marketability	Fair-Good	Good	Fair -Good
Renovation Cost (Estimated Base + Interior)	\$26.0M	\$2.50M	\$12.0M
Potential Revenue (Net of Renovation Cost)			
Sale (Not Less Than)	\$22.5M	\$1.50M	\$6.00M

*Excludes Natural Area

** Excludes City Park

OPTION ANALYSIS: CHANGE CURRENT USE—INSTITUTIONAL

Under this scenario the potential use of the property was based on its conversion to institutional uses such as a private school, private health care facility or non-governmental organization (“NGO”) user.

Casa Loma could be adapted to institutional uses such as a school and there are examples of such buildings in the City. The use is not directly compatible in some respects but the area is home to several notable education facilities, including George Brown College on the south side of Davenport and Bishop Strachan School and Upper Canada College in Forest Hill.

The Potting Sheds and Stables would be difficult to adapt to some uses, however the space does lend itself to other uses such as gallery space, artists workshops etc.

Value for institutional use was based on a review of market transactions. Typically institutional users are limited in their ability to pay market pricing for premises. Many rely on subscriptions, tuition fees and donations to operate which preclude paying a high value for their realty assets. Organizations such as Artscape have a policy of keeping rents low to make space affordable for users thereby limiting their ability to pay full market rates for property.

Pricing for an institution would be affected by the cost to complete the structural repairs and to convert the building to its end use. If the City were to remain as landlord, these costs would be incurred by the City.

OPTION ANALYSIS: CHANGE CURRENT USE—INSTITUTIONAL CONT'D.

	Castle	Hunting Lodge	Potting Sheds, Stables, 330 ½ Walmer Road
Approximate Site Area (SF)	166,769*	20,000	54,014**
Building Area (SF)	64,700	3,592	18,072
Zoning	G	G	G
Official Plan	Open Space and Natural Area	Open Space	Open Space
Legal	Council Approval Needed	Council Approval Needed	Council Approval Needed
Heritage	Designated	Designated	Designated
Conversion Potential	Good	Good	Fair to good
Accessibility	Yes depending on user	Yes depending on user	Yes depending on user
Community Impact	Compatible use	Compatible use	Compatible use
Adaptability	Good	Good	Fair - Good
Marketability	Good	Good	Fair - Good
Renovation Cost	Variable	Variable	Variable
Potential Revenue			
Sale (Net of Renovation Costs) – Not Less than	\$10.0M	\$700K	\$3.50M
Lease (assumes partial renovation)	\$970K	\$54K	\$280K

*Excludes Natural Area

** Excludes City Park

OPTION ANALYSIS: CONCLUSIONS

In addition to the Option Analysis Framework set out above, the current Casa Loma business model, financial and operating parameters, as well as the heritage, zoning and planning factors affecting future uses were taken into account to arrive at the following conclusions:

- Maintaining the current use aligns most clearly with the majority view put forward by the residents, businesses and the general public throughout the course of this analysis.
- Casa Loma is financially self sufficient from an operational point-of-view but requires a significant upfront (and, thereafter, moderate continued) investment to permit ongoing operation. If the investment and associated renovations/improvements are not completed over the next few years, the costs will likely escalate.
- Only the multi-family residential option is believed capable of generating substantive revenue to the City. However, no consideration of the time required to effect a zoning change or Official Plan Amendment has been taken into account nor the steps involved in obtaining a Heritage Certificate. The timetable for such permissions is likely to be lengthy and may also have a negative impact on the value contemplated. Necessary capital repairs to the Casa Loma buildings will still be required during this transition period.
- An open “call” to identify a third party or third parties to lease, operate, invest in, intensify commercial activity (within limits to be established) and/or raise sponsorship/donated funds is a reasonable approach to challenging the private and public sectors to propose creative concepts to maintaining Casa Loma. Such a call neither binds the Corporation/City to accept a specific proposal nor eliminates the Corporation’s ability to impose restrictions on future uses.
- A hybrid option weighted towards maintaining the current use might be implemented where portions of the property (most likely the lands surrounding the Stables and Hunting Lodge, possibly the Hunting Lodge itself) are looked as a means of generating sustaining capital for the balance of the complex.

These conclusions have been generated from the analysis and input described on the previous sections.

NEXT STEPS

STRUCTURING A CALL

Assuming the Board elects to pursue a call for third-party involvement in the management and operation of Casa Loma, consideration should be given to the following:

- Single versus multi-stage approach—a two-stage approach allows the process managers to refine the field of serious contenders to a manageable number. A two-stage approach is useful when: a) a large number of proponents are expected to enter the Call; b) confidential information will be shared, c) the Call is general in nature or various other reasons. In the case of Casa Loma, none of these issues is a factor.
- Will all or part of the Casa Loma estate be included in the Call? Will multiple Calls be considered for each building?
- Is a single proponent preferred who will bid on the overall “package” or will consortia be encouraged?
- What investment is the City prepared to make in the current capital needs of the project?
- What modifications will the City permit to the Casa Loma buildings (generally in keeping with maintain the use, but where certain building modifications may be necessary to affect improved operating efficiency)?
- Time frame—a properly managed Call, allowing for sufficient response time and evaluations will require a minimum of four months from release of the Call.

These considerations should be addressed in a draft Call document for consideration by the Board.

INFORMATION REQUIRED WITHIN THE CALL

Assuming the Board elects to pursue a call for third-party involvement in the management and operation of Casa Loma, consideration should be given to the following:

- Building condition—A current building condition report will be required detailing necessary structural and basic maintenance changes required. Will the City address current building deficiencies/needed repairs and over what timeline?
- Transition issues—How will current staff be affected by third-party management? Will the City take responsibility for severance (if any) and related costs?
- Term—The length of time versus quantum of investment. As a rule a greater investment will necessitate a longer term in order to generate a sufficient return. Establishing either the term or the quantum of investment within the Call will create an expectation for the other aspect of the equation.
- Tenants—How will the City manage existing tenancies if these tenancies are not desired and/or not compatible with the plans of the successful third-party manager?
- City investment: Will the City contemplate a direct investment in Casa Loma and, if so, under what conditions. Indirect investment might include forgiveness of property taxes and/or revenue sharing for a period of time.
- Minimum investment/building rehabilitation—Will third party managers be expected to invest an minimum amount and over what term?
- Heritage and zoning restrictions—A degree of latitude exists within the current zoning (i.e., “Casa Loma”) with respect to future activities consistent with maintaining the current use. What guidance will be City give with respect to broadening these activities?
- Operating restrictions—Will the City place any restrictions on operations of Casa Loma such as a minimum number of hours operated as an attraction (versus special events venue), access to gardens, pricing or similar factors?
- Sponsorship—Will restrictions be placed on the amount and conditions of as well as the recognition for sponsors?

Other issues will be raised by the Board and by Council.

APPENDIX A

LIST OF INTERVIEWEES AND MATERIALS REVIEWED

APPENDIX A: LIST OF INTERVIEWEES AND MATERIALS REVIEWED

Name	Organization/Position
<u>City Councillors</u>	
Joe Mihevc	Councillor
Josh Matlow	Councillor
<u>City Planning, Zoning, Legal</u>	
Gregg Lintern	Director of Community Planning
David Oikawa	Manager, Midtown Section, Community Planning
Barbara Cappelle	Director Legal Services
<u>Heritage and Culture</u>	
Terry Nicholson	Manager of Cultural Affairs
Mary MacDonald	Acting Manager - Heritage Preservation Services
Richard Moorhouse	Ontario Heritage Trust - Executive Director
Karen Carter	Heritage Toronto - Director (referred us to Heritage Preservation)
<u>Casa Loma Senior Management</u>	
Eva Pyatt	CEO
Kelly Ng	CFO
Katie Inverarity	Director of Sales and Marketing
Brian Cormier	Director of Operations
Bruce Scott	Horticulture Manager
Paul Iorfida	Facilities Manager
Ildiko Bekesi	Gift Shop Manager
Joan Crosbie	Curator and Special Programming
Tina Katz	Catering Manager
Trudy O'Donnell	Guest Services Manager
<u>Casa Loma Tenants and "Partners"</u>	
John Struve	Toronto Theatre Organ Society
Ray Carnovale	Toronto Theatre Organ Society - President
Eloise Carmichael	Garden Club
Jim Lutz	Chair, Board of Governors, Queen's Own Rifles
Anthony Schultz	Queen's Own Rifles Museum
Joseph Borg	Pegasus
Christy Dagonas	Pegasus

Name	Organization/Position
<u>Tourism Industry and area BIA community</u>	
Joel Peters	Tourism Toronto - Senior VP Marketing
Lisa Tompkins	CN Tower - Director of Marketing
Karen Edwards	Spadina House - Museum Administrator
Troy Lamsee	Shop Dine Tours - Co-owner
Ben Mohamud	The Dupont Strip - BIA - Chair
Caroline Gilligan	Wychwood Heights - BIA - Chair
Mr. Peter McClelland	Forest Hill Village - BIA - Chair
Corinne Spiegel	Forest Hill Village - BIA
Yvonne Bambrick	Forest Hill Village - BIA
<u>Residents Groups</u>	
Patricia Levy	Casa Loma Residents Association
Dyan Kirshenbaum	Casa Loma Residents Association
Jim Winslow	Tarragon Village Residents Association
Richard Cassel	Tarragon Village Residents Association
John Fauquier	Castle Hill Residents Association
Nancy Hughes Anthony	Castle Hill Residents Association
Rob Douglas	Ardwold Gate Residents Association
Joanna Demone	Ardwold Gate Residents Association
<u>Potential Interested Parties</u>	
Mark Robert	Carlu - Managing Partner
Nick DiDonato	Liberty Entertainment Group - CEO
Terry Tsianos	Pegasus Group - President
Eugene Harrigan	George Brown College - VP Corporate Services
Nancy Sherman	George Brown College - Dean of Centre for Construction Engineering & Technology
Luigi Ferrara	George Brown College - Director, School of Design
Laurence Himel	Cityspace Real Estate Inc.
Matthew Garnet	Renaissance Fine Homes - VP Development
<u>Others</u>	
Mark Brogden	Kiwanis - President
Cam Hawkins	Cameron Hawkins & Associates Inc - President
Rick Brownridge	CBRE - Associate VP
Casey Gallagher	CBRE - VP

APPENDIX A: LIST OF INTERVIEWEES AND MATERIALS REVIEWED

Business Plans/Budgets

Casa Loma Corporation - Budget Submission 2012	2011
Casa Loma Business Plan 2010	2010
Casa Loma Business Plan 2011	2010
Casa Loma Board of Trustees - Background Information	unknown

Financials

Casa Loma Audited Statements - 1980 - 2003, 2006-2010	1980-2010
Casa Loma Draft Statements - 2011	2011
Casa Loma - Auditors' Pre-audit report to the Board of Trustees	2010

Strategic Plans

Casa Loma - Situational Analysis; Operating/Transitional Alternatives; and Preferred Direction	unknown
Casa Loma Strategic Plan 2009-2013	unknown
A High Level Business Plan for Casa Loma - Draft Final Report	2010
Casa Loma - Board Strategic Planning Session	2009
Casa Loma Strategic Plan 2009-2018	2008
Casa Loma: Day Visitor Attendance Projections	2007
City of Toronto Culture Division: Report on Potential to Enhance Casa Loma's Annual Operating Revenue	2007
Kiwanis Club of Casa Loma: Casa Loma Day Visitor Experience Concept Executive Summary	2006
Kiwanis Club of Casa Loma - History of Success, Vision for the Future	2005
A Fund Raising Planning Study: Prepared for Casa Loma	2001
Sponsorship: Audit, Market Analysis and Plan - Casa Loma	2000
Market Study for the Hunting Lodge at Casa Loma - Draft Final Report	1997
Casa Loma Gift Shop Refurbishment Plan	1996

Casa Loma Contracts

Casa Loma Corporation and Renaissance Fine Homes	2011
S.E.I.U. Local 2, Brewery, General & Professional Workers Union	2011
Acoustiguide Inc. New York and Kiwanis and Audio Conexus Inc.	2010
Car Park Management Services Limited	2010
Hurley Corporation	2010
Reilly Security	2010
Pegasus Catering Group	2009
Toronto Theatre Organ Society	1999 & 2001
Girl Guides of Canada	1993 & 2001
Queen's Own Rifles	1993 & 1999
Garden Club of Toronto	1989

Miscellaneous

Casa Loma Site Plans	unknown
Creative Capital Gains: An Action Plan for Toronto	2011
Casa Loma Financial & Operations Review	2010
City of Toronto Heritage Property Detail - Toronto By-Laws	2009
Re-imagine Casa Loma -	2007
Report of stakeholder consultations in respect of Casa Loma Advisory Committee report and final recommendations	2007
Imagine a Toronto - Strategies for a Creative City	2006
Culture Plan for the Creative City	2003
Schedule E: Heritage Designation Bylaw No. 545-87.	1997
Casa Loma Master Plan - Taylor/Hazell Architects Ltd.	1997

G7 Reports

G7 Visitor Satisfaction Study - Year 10, Year End Report	2012
G7 MarCom Study 2011 - Research Report (Final)	2011
G7 Visitor Satisfaction Study - Year 10, July Wave	2011

APPENDIX B

SUMMARY OF PAST CONSULTING STUDIES

APPENDIX A: STATUS OF PAST STRATEGIC PLANNING INITIATIVES

Consulting Assignment	Consultant	Date	Recommendations	Status
Casa Loma Gift Shop Refurbishment Plan	Lord Cultural Resources	Feb -96	<ul style="list-style-type: none"> • Adjust Merchandise mix • Adjust shop layout, furnishings and presentation 	<ul style="list-style-type: none"> • Merchandise mix was addressed in 2011 continuing throughout 2012. • Some adjustments to shop layout have occurred (cash registers) and presentation (paint, displays)
Market Study for the Hunting Lodge at Casa Loma	The Economic Planning Group	Mar-97	<ul style="list-style-type: none"> • Relocate Casa Loma administrative offices to the Hunting Lodge • Hold small meetings/social functions at the Hunting Lodge • Use vacated administration offices at Casa Loma for exhibits 	<ul style="list-style-type: none"> • Not completed. Hunting Lodge requires significant renovation/restoration. Some renovation issues (sewer/asbestos removal) were addressed in 2010
Report on Potential to Enhance Casa Loma's Annual Operating Revenue	NetGain Partners Inc	Mar-00	<ul style="list-style-type: none"> • Heritage focused tour experience • Afternoon Tea and bistro lunches in the conservatory, Evening wine sampling bar • Relocate and expand gift shop and offer branded Casa Loma products 	<ul style="list-style-type: none"> • Not fully implemented – audio guide tour somewhat addressed this. • Some brunches offered during special occasions annually (Easter, Mother's Day) • Not completed due to lack of resources to relocate gift shop

APPENDIX A: STATUS OF PAST STRATEGIC PLANNING INITIATIVES

Consulting Assignment	Consultant	Date	Recommendations	Status
A Fund Raising Planning Study	Ketchum	Aug-01	<ul style="list-style-type: none"> Create a fund raising advisory council Create investment prospectus Create a funds development program 	<ul style="list-style-type: none"> Not completed due to the conflict of CL being city owned and charity operated – thereby not eligible for many funding opportunities.
Kiwanis Club of Casa Loma - History of Success, Vision for the Future	Kiwanis	2005	<ul style="list-style-type: none"> Renovations/refurbishment (Conservatory, Hunting Lodge, Courtyard) Enhanced programming. Create “The Estate District” (CL, Spadina, Toronto Archives) Improved Accessibility (elevator) 	<ul style="list-style-type: none"> No funds available for major renovation/restoration of outbuildings No resources allocated for program recommendations – “Estate District” never progressed beyond the idea stage No funds available for improved accessibility (elevator)
Casa Loma Day Visitor Experience Concept	Lord Cultural Resources	Dec-06	<ul style="list-style-type: none"> Create a “Time” Tunnel Renovations/refurbishment (all outbuildings, incl. Hunting Lodge) Orientation Centre Improved signage Enhanced programming- themed approach, multi-media, “Estate District” 	<ul style="list-style-type: none"> No funds available for major renovation/restoration of outbuildings Audioguide tours introduced to enhance visitor experience. Lack of funds have led to no other recommendations being implemented

APPENDIX A: STATUS OF PAST STRATEGIC PLANNING INITIATIVES

Consulting Assignment	Consultant	Date	Recommendations	Status
Casa Loma – Day Visitor Attendance Projections	Lord Cultural Resources	Mar-07	<ul style="list-style-type: none"> • Building upgrades (restoration) • Food Service enhancements • Various program enhancements 	<ul style="list-style-type: none"> • Some programming enhancements (archery, Nuit Blanche, family, school group curriculum programs) • Exterior restoration underway on main building, no budget for restoration to outbuildings. • New food service operator 2009 (Pegasus)
Casa Loma Strategic Plan 2009-2018	Kiwanis	Mar-08	<ul style="list-style-type: none"> • Enhanced programming, implement visitor centre • Renovations/refurbishments – (incl. Hunting Lodge), woodwork, floors • Improved F&B : restaurant, function spaces • Relocate Gift Shop • Improved Accessibility (elevator) 	<ul style="list-style-type: none"> • Audioguide tour – no other resources available for enhanced program recommendations • Some enhancements to F&B (Cafe) • No funds available for major renovation/restoration work to buildings • No funds available to relocate the gift shop • No funds available for improved accessibility (elevator)

APPENDIX A: STATUS OF PAST STRATEGIC PLANNING INITIATIVES

Consulting Assignment	Consultant	Date	Recommendations	Status
Casa Loma - Board Strategic Planning Session	Lord Cultural Resources	Feb-09	<ul style="list-style-type: none"> • Integrate QOR museum into Casa Loma • Partnership for exhibits • Visitor Centre • Moving Exhibitions • Signage for Subway/Public Transit 	<ul style="list-style-type: none"> • Some signage installed • Audioguide tour has helped integrate QOR into CL. • No budget to implement other recommendations
A High Level Business Plan for Casa Loma	The Economic Planning Group	Sep-10	<ul style="list-style-type: none"> • Relocate Gift Shop, • Adjust merchandise mix • Expanded programming offering • Hunting Lodge for meetings and functions (restaurant added to Hunting Lodge) • Blockbuster shows/special events • Fundraising – Charity Status 	<ul style="list-style-type: none"> • Some programming enhancements • Additional special events held • Lack of funds to complete major renovation/relocation recommendations • Concern over future of Casa Loma prohibits fundraising efforts

APPENDIX C

HERITAGE IMPACT ASSESSMENT REQUIREMENTS

Standards

Definitions of the terms in *italics* can be found in the Introduction. The Standards are not presented in a sequential or hierarchical order, and as such, equal consideration should be given to each. All standards for any given type of treatment must therefore be applied simultaneously to a project.

General Standards (all projects)

1. Conserve the *heritage value* of a historic place. Do not remove, replace, or substantially alter its intact or repairable *character-defining elements*. Do not move a part of a *historic place* if its current location is a *character-defining element*.
2. Conserve changes to a *historic place* which, over time, have become *character-defining elements* in their own right.
3. Conserve *heritage value* by adopting an approach calling for *minimal intervention*.
4. Recognize each *historic place* as a physical record of its time, place and use. Do not create a false sense of historical development by adding elements from other *historic places* or other properties or by combining features of the same property that never coexisted.
5. Find a use for a *historic place* that requires minimal or no change to its *character-defining elements*.
6. Protect and, if necessary, stabilize a *historic place* until any subsequent *intervention* is undertaken. Protect and preserve archaeological resources in place. Where there is potential for disturbance of archaeological resources, take mitigation measures to limit damage and loss of information.
7. Evaluate the existing condition of *character-defining elements* to determine the appropriate *intervention* needed. Use the gentlest means possible for any intervention. Respect *heritage value* when undertaking an *intervention*.
8. Maintain *character-defining elements* on an ongoing basis. Repair *character-defining elements* by reinforcing their materials using recognized conservation methods. Replace in kind any extensively deteriorated or missing parts of *character-defining elements*, where there are surviving prototypes.
9. Make any *intervention* needed to preserve *character-defining elements* physically and visually compatible with the *historic place*, and identifiable upon close inspection. Document any intervention for future reference.

(continued)

Additional Standards Relating to Rehabilitation

- 10.** Repair rather than replace *character-defining elements*. Where *character-defining elements* are too severely deteriorated to repair, and where sufficient physical evidence exists, replace them with new elements that match the forms, materials and detailing of sound versions of the same elements. Where there is insufficient physical evidence, make the form, material and detailing of the new elements compatible with the character of the *historic place*.
- 11.** Conserve the heritage value and *character-defining elements* when creating any new additions to a historic place or any related new construction. Make the new work physically and visually compatible with, subordinate to and distinguishable from the historic place.
- 12.** Create any new additions or related new construction so that the essential form and integrity of a *historic place* will not be impaired if the new work is removed in the future.

Additional Standards Relating to Restoration

- 13.** Repair rather than replace *character-defining elements* from the restoration period. Where *character-defining elements* are too severely deteriorated to repair and where sufficient physical evidence exists, replace them with new elements that match the forms, materials and detailing of sound versions of the same elements.
- 14.** Replace missing features from the restoration period with new features whose forms, materials and detailing are based on sufficient physical, documentary and/or oral evidence.



Eight Guiding Principles in the Conservation of Built Heritage Properties

The following guiding principles are ministry statements in the conservation of built heritage properties and are based on international charters which have been established over the century. These principles provide the basis for all decisions concerning good practice in heritage conservation around the world. Principles explain the "why" of every conservation activity and apply to all heritage properties and their surroundings.

1. RESPECT FOR DOCUMENTARY EVIDENCE:

Do not base restoration on conjecture.

Conservation work should be based on historic documentation such as historic photographs, drawings and physical evidence.

2. RESPECT FOR THE ORIGINAL LOCATION:

Do not move buildings unless there is no other means to save them.

Site is an integral component of a building or structure. Change in site diminishes cultural heritage value considerably.

3. RESPECT FOR HISTORIC MATERIAL:

Repair/conservé - rather than replace building materials and finishes, except where absolutely necessary.

Minimal intervention maintains the heritage content of the built resource.

4. RESPECT FOR ORIGINAL FABRIC:

Repair with like materials.

Repair to return the resource to its prior condition, without altering its integrity.

5. RESPECT FOR THE BUILDING'S HISTORY:

Do not restore to one period at the expense of another period.

Do not destroy later additions to a building or structure solely to restore to a single time period.

6. REVERSIBILITY:

Alterations should be able to be returned to original conditions. This conserves earlier building design and technique.

e.g. When a new door opening is put into a stone wall, the original stones are numbered, removed and stored, allowing for future restoration.

7. LEGIBILITY:

New work should be distinguishable from old.

Buildings or structures should be recognized as products of their own time, and new additions should not blur the distinction between old and new.

8. MAINTENANCE:

With continuous care, future restoration will not be necessary.

With regular upkeep, major conservation projects and their high costs can be avoided.

For more information, please call the Ministry of Culture at (416) 212-0644 or Toll Free at 1-866-454-0049 or refer to the website at www.culture.gov.on.ca.

Spring 2007

Disponible en français

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The information contained in this InfoSheet should not be relied upon as a substitute for specialized legal or professional advice in connection with any particular matter.

HERITAGE IMPACT ASSESSMENT TERMS OF REFERENCE

Study	<i>Heritage Impact Assessment</i>
Description	<p>A Heritage Impact Assessment (HIA) is a study to evaluate the impact the proposed development or site alteration will have on the cultural heritage resource(s) and to recommend an overall approach to the conservation of the resource(s). This analysis, which must be prepared by a qualified heritage conservation professional, will address properties identified in the City of Toronto's <i>Inventory of Heritage Properties</i> (which includes both listed and designated properties) as well as any yet unidentified cultural heritage resource(s) found as part of the site assessment.</p> <p>This study will be based on a thorough understanding of the significance and heritage attributes of the cultural heritage resource(s), identify any impact the proposed development or site alteration will have on the resource(s), consider mitigation options, and recommend a conservation strategy that best conserves the resource(s) within the context of the proposed development or site alteration.</p> <p>The conservation strategy will apply conservation principles, describe the conservation work, and recommend methods to avoid or mitigate negative impacts to the cultural heritage resource(s). Minimal intervention should be the guiding principle for all work. Further, the conservation strategy recommendations will be in sufficient detail to inform decisions and direct the Conservation Plan.</p> <p>Where there is the potential of impacting archaeological resources an <i>Archaeological Assessment</i> will be undertaken as an additional study.</p>
When Required	<p>A HIA <u>is required</u> for the following application types if the property is on the City of Toronto's <i>Inventory of Heritage Properties</i>:</p> <ul style="list-style-type: none"> • Official Plan Amendment • Zoning By-law Amendment • Plans of Subdivision • Site Plan Control <p>A HIA <u>may be required by staff</u> for the following additional application types:</p> <ul style="list-style-type: none"> • Consent and/or Minor Variance and Building Permit applications for any property included on the City of Toronto's <i>Inventory of Heritage Properties</i> • Where properties adjacent to a cultural heritage resource are subject to Official Plan Amendment, Zoning By-law Amendment, Plans of Subdivision, Site Plan Control and/or Consent and/or Minor Variance applications • Heritage Permit applications for any property designated under Part IV (individual) or Part V (Heritage Conservation District) of the Ontario Heritage Act
Rationale	<p>The HIA will inform the review of an application involving a cultural heritage resource(s) included on the City of Toronto's <i>Inventory of Heritage Properties</i>. The rationale for the requirement to provide an HIA arises from: the Ontario Heritage Act; Section 2(d) of the Planning Act; Section 2.6.3 of the Provincial Policy Statement (2005); Chapter 103: Heritage, City of Toronto Municipal Code; and Section 3.1.5, Policies 1-13 of the City of Toronto's Official Plan.</p> <p>Format</p> <p>The HIA will be broad in scope but provide sufficient detail to communicate the site issues and inform the evaluation of the recommended conservation approach for the cultural heritage resource(s). The study will be submitted in hard copy and PDF format.</p>

	<p>Principles</p> <p>The HIA will apply appropriate conservation principles such as:</p> <ul style="list-style-type: none"> • The Parks Canada <i>Standards and Guidelines for the Conservation of Historic Places in Canada</i> (2003); • Ontario Ministry of Culture's <i>Eight Guiding Principles in the Conservation of Historic Properties</i> (1997); • Ontario Ministry of Culture's <i>Heritage Conservation Principle's for Land Use Planning</i> (2007); and • <i>Well Preserved: the Ontario Heritage Foundation's Manual of Principles and Practice for Architectural Conservation</i> (1988).
Required Contents / Format	<p>The HIA will include, but is not limited to, the following information:</p> <p>(a) Introduction to Development Site</p> <ul style="list-style-type: none"> • A location plan indicating subject property (Property Data Map and aerial photo). • A concise written and visual description of the site identifying significant features, buildings, landscape and vistas. • A concise written and visual description of the cultural heritage resource(s) contained within the development site identifying significant features, buildings, landscape, vistas and including any heritage recognition of the property (City of Toronto's <i>Inventory of Heritage Properties</i>, <i>Ontario Heritage Properties Database</i>, Parks Canada <i>National Historic Sites of Canada</i>, and/or <i>Canadian Register of Historic Places</i>) with existing heritage descriptions as available. • A concise written and visual description of the context including adjacent heritage properties and their recognition (as above), and any yet unidentified potential cultural heritage resource(s). • Present owner contact information. <p>(b) Background Research and Analysis</p> <ul style="list-style-type: none"> • Comprehensive written and visual research and analysis related to the cultural heritage value or interest of the site (both identified and unidentified): physical or design, historical or associative, and contextual. • A development history of the site including original construction, additions and alterations with substantiated dates of construction. • Research material to include relevant historic maps and atlases, drawings, photographs, sketches/renderings, permit records, land records, assessment rolls, City of Toronto directories, etc. <p>(c) Statement of Significance</p> <ul style="list-style-type: none"> • A statement of significance identifying the cultural heritage value and heritage attributes of the cultural heritage resource(s). This statement will be informed by current research and analysis of the site as well as pre-existing heritage descriptions. This statement is to follow the provincial guidelines set out in the <i>Ontario Heritage Tool Kit</i>. • The statement of significance will be written in a way that does not respond to or anticipate any current or proposed interventions. The City may, at its discretion and upon review, reject or use the statement of significance, in whole or in part, in crafting its own statement of significance (Reasons for Listing or Designation) for the subject property. • Professional quality <i>record photographs</i> of the cultural heritage resource in its present state. <p>(d) Assessment of Existing Condition</p> <ul style="list-style-type: none"> • A comprehensive written description and high quality color photographic documentation of the cultural heritage resource(s) in its current condition.

	<p>(e) Description of the Proposed Development or Site Alteration</p> <ul style="list-style-type: none"> • A written and visual description of the proposed development or site alteration. <p>(f) Impact of Development or Site Alteration</p> <ul style="list-style-type: none"> • An assessment identifying any impact the proposed development or site alteration may have on the cultural heritage resource(s). Negative impacts on a cultural heritage resource(s) as stated in the Ontario Heritage Tool Kit include, but are not limited to: <ul style="list-style-type: none"> – Destruction of any, or part of any, significant heritage attributes or features – Alteration that is not sympathetic, or is incompatible, with the historic fabric and appearance – Shadows created that alter the appearance of a heritage attribute or change the viability of an associated natural feature or plantings, such as a garden – Isolation of a heritage attribute from its surrounding environment, context or a significant relationship – Direct or indirect obstruction of significant views or vistas within, from, or of built and natural features – A change in land use (such as rezoning a church to a multi-unit residence) where the change in use negates the property's cultural heritage value – Land disturbances such as a change in grade that alters soils, and drainage patterns that adversely affect a cultural heritage resource, including archaeological resources <p>(g) Considered Alternatives and Mitigation Strategies</p> <ul style="list-style-type: none"> • An assessment of alternative options, mitigation measures, and conservation methods that may be considered in order to avoid or limit the negative impact on the cultural heritage resource(s). Methods of minimizing or avoiding a negative impact on a cultural heritage resource(s) as stated in the Ontario Heritage Tool Kit include, but are not limited to: <ul style="list-style-type: none"> – Alternative development approaches – Isolating development and site alteration from significant built and natural features and vistas – Design guidelines that harmonize mass, setback, setting, and materials – Limiting height and density – Allowing only compatible infill and additions – Reversible alterations <p>(h) Conservation Strategy</p> <ul style="list-style-type: none"> • The preferred strategy recommended to best protect and enhance the cultural heritage value and heritage attributes of the cultural heritage resource(s) including, but not limited to: <ul style="list-style-type: none"> – A mitigation strategy including the proposed methods; – A conservation scope of work including the proposed methods; and – An implementation and monitoring plan. • Recommendations for additional studies/plans related to, but not limited to: conservation; site specific design guidelines; interpretation/commemoration; lighting; signage; landscape; stabilization; additional record and documentation prior to demolition; and long-term maintenance. • Referenced conservation principles and precedents. <p>(i) Appendices</p> <ul style="list-style-type: none"> • A bibliography listing source materials used and institutions consulted in preparing the HIA.
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Hyperlinks

- City of Toronto's *Inventory of Heritage Properties* - <http://app.toronto.ca/heritage/main.do>
- *Ontario Heritage Properties Database* - <http://www.culture.gov.on.ca/english/heritage/hpd.htm>
- Parks Canada *National Historic Sites of Canada* - http://www.pc.gc.ca/progs/lhn-nhs/index_e.asp
- *Canadian Register of Historic Places* - http://www.historicplaces.ca/visit-visite/rep-reg_e.aspx
- Parks Canada *Standards and Guidelines for the Conservation of Historic Places in Canada* - http://www.pc.gc.ca/docs/pc/guide/nldclpc-sgchpc/index_E.asp
- Ontario Ministry of Culture's *Eight Guiding Principles in the Conservation of Historic Properties* - http://www.culture.gov.on.ca/english/heritage/info_sheets/info_sheet_8principles.htm
- Ontario Ministry of Culture's *Heritage Conservation Principle's for Land Use Planning* - http://www.culture.gov.on.ca/english/heritage/info_sheets/info_sheet_landuse_planning.htm
- *Ontario Heritage Tool Kit* - <http://www.culture.gov.on.ca/english/heritage/Toolkit/toolkit.htm>
- *Archaeological Assessment* – TBA (Susan)
- *Record photographs* – TBA (Georgia)

APPENDIX D TENANT SUMMARIES

APPENDIX D: CASA LOMA TENANTS

Tenant	Contract Date	Tenure	Rent Amount	Key Elements
Queens Own Rifles ("QOR")	Jan-99	Presence at Casa Loma since 1970	\$600 per month (as of May-2002)	<ul style="list-style-type: none"> QOR are permitted to hold a display of military memorabilia and war relics QOR is to maintain, clean and supervise the display Casa Loma will include the display in their tours and encourage visitors to view the display Agreement can be terminated with 90 days written notice
Girl Guides of Canada	Jan-1993, renewal Oct-2001	First agreement Feb-1987	\$50 per month	<ul style="list-style-type: none"> Girl Guides to maintain, clean and supervise display Casa Loma shall include the Girl Guide display in their regular conducted tours and shall encourage visitors to see the display Girl Guides to provide their own insurance for the display Girl Guides and Casa Loma agree to set up a committee of 4 members to liaise with respect to the display Agreement can be terminated with 60 days written notice
Garden Club of Toronto	Sept 1989	1986	N/a	<p>Garden Club undertook the restoration of the gardens by:</p> <ul style="list-style-type: none"> creating a design in keeping with history of the premises implementing the raising of funds for restoration supervising the construction and planting <p>Casa Loma to:</p> <ul style="list-style-type: none"> provide skilled gardening staff to manage the gardens provide funds to purchase all annual and perennial plantings purchase all equipment and tools necessary to the upkeep of the gardens provide for the maintenance of the existing plants

APPENDIX D: CASA LOMA TENANTS

Contract	Contract Date	Tenure	Rent Amount	Key Elements
Toronto Theatre Organ Society ("TTOS")	Renewal agreements dated Jan-1999, Sept-01	Organ was installed and maintained in Casa Loma since Sept-1970	TTOS shall pay Kiwanis suitable rental fees to be determined from time to time by Kiwanis for use of the facility and appropriate staffing	<ul style="list-style-type: none"> • TTOS owns the organ • If agreement is terminated, TTOS shall remove the organ at their own expense • Casa Loma will provide the power • TTOS will make sure organ is in working order • Casa Loma guarantees TTOS six nights each calendar year with the option of two additional nights for presenting public concerts. • TTOS can have access to the organ on any free night at Casa Loma (5:15pm to 10:00pm)
Renaissance Fine Homes	Dec -2011	Dec 2011 – Dec 2012 (extension possible up to 1 year) – includes utilities (except cable and telephone)	\$2,400 per month	<ul style="list-style-type: none"> • Occupancy of 330 1/2 Walmer Road • Renaissance must have contents and commercial general liability insurance

Note: Most contracts were originally entered into between the Kiwanis of West Toronto and the respective tenants. The Casa Loma Corporation assumed all contracts in August 2011 when the transfer from the Kiwanis was completed.

APPENDIX E

CONTRACT SUMMARIES

APPENDIX E: CASA LOMA THIRD PARTY CONTRACTS

Contract	Contract Date	Tenure	Rent Amount	Key Elements
Pegasus Catering Group Inc.	May-2009	10 years and 8 months expiring December 31, 2019, may be extended by one period of up to 9 years	<ul style="list-style-type: none"> • Pegasus to pay a minimum annual fee paid monthly Catering Commission plus a flat rate for operating the Restaurant Services (cafeteria) • Pegasus to pay a License Fee calculated as a percentage of Gross Revenue from Catering Services as well as on Gross Revenue from Restaurant Services that exceeds the Minimum annual fee amount for Catering and Restaurant Services 	<ul style="list-style-type: none"> • Pegasus to: <ul style="list-style-type: none"> • have exclusive rights to provide Catering Services, Restaurant Services, Vending Machines and all other services authorized by the agreement • use Casa Loma and on-site staff solely for the provision of services at Casa Loma • provide first class F&B services • collaborate with Casa Loma on marketing strategy and plan. • market Casa Loma to new special events, corporate events, festivals and community clients, advertise Casa Loma in trade and consumer publications, directors and operators e-blasts. • participate in trade/consumer shows with Casa Loma, • include Casa Loma on its corporate, consumer and trade websites, • Pegasus cannot subcontract without Casa Loma approval • Agreement is cancellable on 120 days notice with repayment of the unamortized cost of the Pegasus' investment.

APPENDIX E: CASA LOMA THIRD PARTY CONTRACTS

Contract	Contract Date	Tenure	Key Elements
Hurley Corporation	Jan-2010	Jan 2010 – Dec 2014	<ul style="list-style-type: none"> • Cleaning equipment and floor care supplies provided by Hurley • Hurley to employ 4 cleaning staff (2x light duty, 2x heavy duty) • Employees to be fully trained in Health and Safety procedures • Casa Loma can only use Hurley for Housekeeping services during the course of the agreement
Reilly Security	Mar-2010	Mar 2010 – Dec 2014	<ul style="list-style-type: none"> • Equivalent of 1 security guard for 8am-10pm/7 days/365 • During special events security on premises until patrons have left • Additional guards as required from time to time • All employees fully trained in Health and Safety procedures • Fluent English speakers • Must wear uniforms with identification
Acoustiguide and Audio Conexus Inc.	Jan-2010	Jan-2010 to Dec-2015	<ul style="list-style-type: none"> • Acoustiguide to produce an audio program relating to the rooms, objects, sights, history of Casa Loma in English and translated into 7 different languages • Acoustiguide will collect and provide to CL statistical analysis of data related to the Tour • Casa Loma provides the raw materials to produce the content of the audio • Acoustiguide to provide Casa Loma with 600 units from May-Aug annually and 300 units from Sept-April annually • Ownership of equipment is maintained by Acoustiguide • Cancellation fs possible prior to completion of term with penalty.

APPENDIX E: CASA LOMA THIRD PARTY CONTRACTS

Contract	Contract Date	Tenure	Key Elements
Car Park Management Services Ltd.	Mar-2010	Mar 2010 – Dec 2014	Car Park agrees to: <ul style="list-style-type: none">• manage, maintain, operate, supervise and control the parking facility• provide employees to manage, supervise, operate and control the parking facility• painting and maintenance of kiosks and all other matters connected to the parking lot

APPENDIX F

DETAILED SUMMARIES OF “CHANGE OF USE” OPTIONS



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June 12, 2012

CEO and Board of Casa Loma
1 Austin Terrace
Toronto, Ontario
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**RE: RFP 001 – 2012 CONSULTING SERVICES – EXAMINATION OF ALTERNATE USES AND
VALUE IMPACT – CASA LOMA PROPERTY, TORONTO**

In accordance with our response RFP 001-2012, CBRE Limited has examined the reuse of Casa Loma and its associated lands and prepared an analysis on the value implications associated with changing the current use to alternative uses.

The analysis is based on the premise that the City of Toronto and area residents would be supportive of changes in use; that the necessary City approvals could be obtained; and that Official Plan and Zoning amendments would be approved. This study examines the impact of allowing changes in use, through the benchmarking of the various scenarios using market derived metrics.

Based on our investigations, we believe any significant change in use for the property is unlikely and that the changes in use outlined in this report should be considered as hypothetical.

The study undertaken by CBRE Limited is general in nature and is based on information available to us at the time our review was completed. The values indicated are approximate and are subject to more detailed analysis as further property details are available. The report is subject to the assumptions outlined in the report and the attached Limiting Conditions.

Please contact us if you need further assistance or if you have any questions.

Yours Truly,
CBRE Limited

Purpose and Intended Use of Report

The purpose of this report was to examine the impact on the underlying value of the Casa Loma property, based on the potential change in use from the current use. This report has been requested by and will be used for internal management purposes and to assist the Board of Casa Loma and City of Toronto in assessing options for the property and the future of the facility.

This report has been prepared for the party named above for the purpose stated. This report has been prepared on the assumption that no other person will rely on it for any other purpose.

The report is subject to those Assumptions and Limiting Conditions contained in Appendix "A" in addition to any assumptions, which may be stated in the body of the report.

Scope of the Valuation

This is a Consulting report and complies with the reporting requirements set forth under the Canadian Uniform Standards of the Appraisal Institute of Canada. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated herein.

- Inspected the property;
- Reviewed available data regarding the local residential and commercial real estate markets;
- Met with City Planners and Legal Staff;
- Met with Casa Loma management and staff;
- Verified current land use and zoning regulations;
- Conducted a detailed analysis of the local market;
- Interviewed market participants including realtors and developers;
- Reviewed available market transaction data;
- Considered potential values based on various scenarios using market averages and indicators; and
- Prepared a report of our findings.

Limiting Conditions

The report is subject to the Assumptions and Limiting Conditions contained in Appendix "A", in addition to specific assumptions, which may be stated in the body of the report.

Key Assumptions

This report is based on information available at the time of our analysis. Property data, including site data, land and building areas, cost of building repairs and renovations, etc. are subject to revision at such time as more detailed information is available.

The land uses described in this report are “hypothetical” and are not permitted at this time. Based on our investigations, it is unlikely the alternative uses described in this report would be permitted.

The value indications for the various scenarios are based on market indicators and should not be considered to be formal appraisals of the property. This report does not fulfill the requirements of an “appraisal” as defined by the Appraisal Institute of Canada.

Introduction – Casa Loma Alternative Use Analysis

An alternative use analysis was undertaken to better understand the value implications under a number of potential uses other than the existing use. These scenarios are based on the critical assumption that City approval could be obtained and planning and zoning amendments approved to allow such changes.

Based on this assumption, we examined several alternative uses based on the physical improvements existing on the property, locational attributes, surrounding land uses, current land use planning in the local area, the historic designation of the buildings and the outstanding capital requirements for structural building repairs. It should be noted the southerly one third of the main Casa Loma site is a natural area and these lands are excluded from our analysis.

The potential alternative uses were selected based on the following criteria:

- Incorporate and adapt the existing buildings into the future use.
- Level of market demand for the uses identified based on discussions with market participants and users.
- Current land use patterns in the local area and compatibility of the proposed uses with the surrounding area.

A discussion of the possible alternate uses follows:

A/ Single Family

Casa Loma was originally constructed as a residence and could be readapted to this use. The Hunting Lodge was also designed and built as a home as was the former chauffeur residence at 330 Walmer Road. The former Stables and Potting Shed are special purpose buildings which would be challenging to convert to residential uses and which would require significant improvements to bring them to a habitable state.

The existing buildings on the site are designated and, as such, cost to convert would be relatively high.

The Toronto residential market has been exceptionally strong over the past decade with strong buyer demand and rising prices, particularly in central areas of the City. As such we would expect there would be strong interest in the property for single family uses.

The use of the property as single family residences is compatible with the surrounding residential uses. Current densities on the sites are in keeping with the current 60% density allowed in the residential areas to the north and west of the property.

The value estimates are based on a review of available data for transactions of higher value homes in Toronto's most desirable neighbourhoods. We examined the pricing of these homes on a price per SF of building to derive an indication of approximate pricing assuming the buildings were in good condition and modernized.

Pricing for Casa Loma would be impacted by the size of the buildings, the cost associated with repairing and renovating the property and the high public profile of the property which may deter some buyers.

The buildings require structural repairs and modernizing to meet current standards for a luxury home.

Cost to carry out these improvements is unknown at this time and a detailed study would be required. For purposes of this report, we have used a repair/renovation cost of between \$400 and \$650 per SF for the various buildings.

B/ Multiple Residential Uses

Casa Loma is located in a highly desirable residential area which has seen a significant escalation in land and home prices. The increase in land values and the desirability of living in the city have created pressure to increase density levels in central areas.

Casa Loma is in proximity to several other medium density residential developments situated south of Davenport Road. In addition, smaller infill development has occurred on the northwest corner of Austin Terrace and Spadina Road, just north of Casa Loma.

The existing buildings on the site are historically designated and could be incorporated into a new development. For the Casa Loma site, additional development could occur on the east and west parts of the site and could be linked to the existing building. For the Hunting Lodge, Potting Shed, Stables and 330 Walmer Road, development could again incorporate existing buildings while additional development could potentially occur at the rear of the existing buildings. It should be noted the presence of the buildings could ultimately impact the density permitted on the sites.

Multiple-family residential is compatible in terms of its use but density would be higher than the immediate area to the north. Medium density uses in the surrounding areas are typically at the 2.0X level versus the 0.60X allowed in the residential area to the north and west.

The value estimate for the land is based on recent transactions for similar medium density land. The Casa Loma lands are well situated and would be expected to achieve pricing at or above the market indicators. The estimated pricing is based on land value - it is unclear on the contributory value of the existing structures on the site as these would need significant improvements to be incorporated as part of any new development.

C/ Commercial/Investment

Under this scenario, we considered potential use of the property based on its conversion to commercial uses such as office and retail uses.

Casa Loma is situated in a primarily residential area and is removed from any commercial concentrations. As part of its current use, Casa Loma does operate commercial outlets including a Gift shop, Café and event space.

Casa Loma and the Hunting Lodge could potentially be converted to office and retail uses - portions of the main level at Casa Loma and the main floor of the Hunting Lodge could have potential for uses such as a restaurant. The Potting Shed and the Stables have limited utility and would be difficult to convert to usable commercial space. This space may lend itself to an innovative user such as a gallery or studio.

The property was considered under two scenarios; as a leased facility where the City would retain ownership and act as landlord; and as a commercial investment property to be sold to an investor.

To estimate the potential income on a lease basis, lease rates for similar space was reviewed. Rental rates for loft style office space on the downtown periphery ranges from \$20.00 to \$25.00 per SF on a net basis. Rent for well-located restaurants in the City can range as high as \$50.00 per SF. As noted, the location of Casa Loma is secondary from a commercial point of view based on its location.

To position the space for lease, the City would be required to repair the building and renovate the space to a leasable condition. Again, data is not available on the cost to complete this work but a cost of \$400 and \$650 is used for the analysis.

In terms of the potential value as a commercial investment property, we reviewed recent transactions of comparable office developments including the sale of two of Toronto's more

iconic buildings, 10 Toronto Street and the Flatiron building at 49 Wellington Street East. These sales indicate high values per SF of building and both are highly recognized landmark buildings. Both are well located in the downtown core and did not have the structural repair requirements of Casa Loma.

As a commercial investment property, the price paid by an investor would be reduced by the cost to repair the buildings and convert the space. In this case, the expected cost to repair and convert the building would reduce the value to an investor to a nominal value. An owner/user may acquire the building as a corporate headquarters and might potentially acquire at a higher price than an investor.

D/ Institutional Uses

Under this scenario we considered potential use of the property based on its conversion to institutional uses such as a private school, private health care facility or NGO user.

Casa Loma could be adapted to institutional uses such as a school and there are examples of such buildings in the City. The use is not directly compatible in some respects but the area is home to several notable education facilities, including George Brown College on the south side of Davenport, and Bishop Strachan School and Upper Canada College in Forest Hill.

The Potting Shed and Stables would be difficult to adapt to some uses, however, the space does lend itself to other uses such as gallery space, artist's workshops, etc.

Value for institutional use was based on a review of market transactions. Typically institutional users are limited in their ability to pay market pricing for premises. Many rely on subscriptions, tuition fees and donations to operate which preclude paying a high value for their realty assets. Organizations such as Art Space have a policy of keeping rents low to make space affordable for users thereby limiting their ability to pay full market rates for property.

Pricing for an institution would be affected by the cost to complete the structural repairs and to convert the building to its end use. Since this use covers a wide range of possibilities, estimated renovation costs have not been considered. If the City were to remain as landlord, renovation costs would be incurred by the City.

CHANGE IN USE – SINGLE FAMILY (CONVERSION OF EXISTING BUILDING)

	Castle	Hunting Lodge	Potting Sheds, Stables, 330 ½ Walmer Road
Approximate Site Area (SF)	166,769*	20,000	54,014**
Building Area (SF) (Excludes basement level)	61,063	3,592	18,072
Zoning	G	G	G
Official Plan	Open Space and Natural Area	Open Space	Open Space
Legal	Council Approval Required Official Plan and Zoning Amendment Required	Council Approval Required Official Plan and Zoning Amendment Required	Council Approval Required Official Plan and Zoning Amendment Required
Heritage	Designated building	Designated building	Designated building
Conversion Potential	Good	Very Good	Fair -Good
Public Accessibility After Sale	No	No	No
Economic Impact	Loss of operating revenue	Loss of operating revenue	Loss of operating revenue
Community Impact	Compatible use	Compatible use	Compatible use
Physical Adaptability	Good	Good	Fair- Good
Marketability	Fair-Good	Good	Fair-Good
Renovation Cost (Estimated Base Building+ Interior)	+/- \$25.0M	+/- \$2.50M	+/- \$12.0M
Potential Revenue (Net of Renovation Cost)			
Not Less Than	\$25.00M	\$3.00M	\$6.00M

*Excludes Natural Area

** Excludes City Park

MEDIUM DENSITY RESIDENTIAL DEVELOPMENT (EXISTING BUILDING & NEW DEVELOPMENT***)

	Castle	Hunting Lodge	Potting Sheds, Stables, 330 ½ Walmer Road
Approximate Site Area (SF)	166,769*	20,000	54,014**
Building Area (SF) (Excluding Basement)	61,063	3,592	18,072
Zoning	G	G	G
Official Plan	Open Space and Natural Area	Open Space	Open Space
Legal	Council Approval Required Official Plan and Zoning Amendment Required	Council Approval Required Official Plan and Zoning Amendment Required	Council Approval Required Official Plan and Zoning Amendment Required
Heritage	Designated Building	Designated building	Designated buildings
Conversion Potential	Good	Good	Good
Public Accessibility	Access may be allowed as part of new development	Access may be allowed as part of new development	Access may be allowed as part of new development
Economic Impact	Loss of Operating Revenue	Loss of Operating Revenue	Loss of Operating Revenue
Community Impact	Compatible use -Increased Density	Compatible use -Increased Density	Compatible Use –Increased Density
Physical Adaptability	Incorporate existing building	Incorporate existing building	Incorporate existing buildings
Marketability	Very Good	Very Good	Very Good
Potential Revenue			
Not Less Than	\$42.00M	\$6.00M	\$14.00M

*Excludes Natural Area

** Excludes City Park

*** Existing building would be included in new development.

COMMERCIAL/INVESTMENT (ADAPT EXISTING BUILDING)

	Castle	Hunting Lodge	Potting Sheds, Stables, 330 ½ Walmer Road
Approximate Site Area (SF)	166,769*	20,000	54,014**
Building Area (SF) (Net Area)	64,644	3,592	18,072
Zoning	G	G	G
Official Plan	Open Space and Natural Area	Open Space	Open Space
Legal	Council Approval Required Official Plan and Zoning Required	Council Approval Required Official Plan and Zoning Required	Council Approval Required Official Plan and Zoning Required
Heritage	Designated	Designated	Designated
Conversion Potential	Fair - Good	Good	Fair - Good
Public Accessibility	No	No	No
Economic Impact	Loss of Operating Income	Loss of Operating Income	Loss of Operating Income
Community Impact	Somewhat Compatible	Somewhat Compatible	Somewhat Compatible
Adaptability	Fair- Good	Good	Fair -Good
Marketability	Fair-Good	Good	Fair -Good
Renovation Cost (Estimated Base + Interior)	\$26.0M	\$2.50M	\$12.0M
Potential Revenue (Net of Renovation Cost)			
Sale (Not Less Than)	\$22.5M	\$1.50M	\$6.00M
Potential lease Income p.a.	\$1.60M	\$90K	\$465K

*Excludes Natural Area

** Excludes City Park

INSTITUTIONAL (ADAPT EXISTING BUILDING)

	Castle	Hunting Lodge	Potting Sheds, Stables, 330 ½ Walmer Road
Approximate Site Area (SF)	166,769*	20,000	54,014**
Building Area (SF)	64,644	3,592	18,072
Zoning	G	G	G
Official Plan	Open Space and Natural Area	Open Space	Open Space
Legal	Council Approval Needed	Council Approval Needed	Council Approval Needed
Heritage	Designated	Designated	Designated
Conversion Potential	Good	Good	Fair to good
Accessibility	Yes depending on user	Yes depending on user	Yes depending on user
Economic Impact			
Community Impact	Compatible use	Compatible use	Compatible use
Adaptability	Good	Good	Fair - Good
Marketability	Good	Good	Fair - Good
Renovation Cost	Variable	Variable	Variable
Potential Revenue			
Sale (Net of Renovation Costs) – Not Less than	\$10.0M	\$700K	\$3.50M
Lease (assumes partial renovation)	\$970K	\$54K	\$280K

*Excludes Natural Area

** Excludes City Park

DEVELOPMENT OPTION 1 SINGLE FAMILY

Potential Uses	<ul style="list-style-type: none"> • Single Family Use • Natural Area excluded from site
Zoning	<ul style="list-style-type: none"> • G • Zoning Amendment required to permit low density Single Family Uses.
Official Plan	<ul style="list-style-type: none"> • Other Open Space Area • Natural Area • Official Plan amendment required to change use.
Legal	<ul style="list-style-type: none"> • Property must be declared surplus by City prior to sale or lease over 21 years. • Official Plan and Zoning Required
Heritage	<ul style="list-style-type: none"> • Building interior and exterior designated under the <i>Ontario Heritage Act</i>
Accessibility	<ul style="list-style-type: none"> • No public access under private ownership
Community Impact	<ul style="list-style-type: none"> • Limited impact – the use is compatible with the surrounding area. • Reduced traffic as compared to the existing use. • Removal from the public domain and loss of access to lands. • Preservation of existing building.
Economic Impact	<ul style="list-style-type: none"> • Sale as SF dwelling generates mid-range value based on intensity of use and strong demand (high prices) for housing in the area • Property could be sold as is. • Loss of operating revenue from existing operations.
Adaptability	<ul style="list-style-type: none"> • Building originally designed for residential uses • Very desirable residential location • Structural repairs and significant upgrades required to meet current market standards.
Marketability	<ul style="list-style-type: none"> • Strong market conditions for high value residential dwellings – existing homes and new build. • Significant capital investment required which may deter some buyers. • High public profile of project may deter some buyers.

Value Considerations

Value is based on the sale of existing building for single family uses. The site would exclude the Natural Area, covering the southerly third of the property.

Property has limited potential for additional single family development based on currently permitted densities in the area. The large scale of the property, the extensive structural repairs and cost of modernizing would negatively impact potential sale proceeds. Value includes consideration of renovation and upgrade costs.

SINGLE FAMILY MARKET INDICATORS

Value Range per SF building	\$448 to \$2,555
Average price per SF	\$1,015

SINGLE FAMILY CONCLUSION

Potential Value as Renovated – Not Less Than	\$50.0M
Less: Structural /Renovation Costs	<u>\$25.0M</u>
Potential Value “As Is” – Not Less Than	\$25.0M

DEVELOPMENT OPTION 2
MULTI RESIDENTIAL

Potential Uses	<ul style="list-style-type: none">• Multiple Residential Uses• Potential for additional development on the site, east and west of the existing building. Existing building would be incorporated into any new development.• Natural area excluded from development
Zoning	<ul style="list-style-type: none">• G• Zoning Amendment required to permit use.
Official Plan	<ul style="list-style-type: none">• Other Open Space Area• Natural Area• Official Plan Amendment required
Legal	<ul style="list-style-type: none">• Property must be declared surplus by City prior to sale or lease over 21 years.• Official Plan and Zoning Required
Heritage	<ul style="list-style-type: none">• Building interior and exterior designated under the <i>Ontario Heritage Act</i>
Accessibility	<ul style="list-style-type: none">• Limited access possible depending on development scheme.
Community Impact	<ul style="list-style-type: none">• Reduced traffic as compared to the existing use.• Removal from the public domain and loss of access to lands.• Visual impact, higher density could impact views.• Preservation of existing building would be part of any re-development.• Multi residential uses located to the north at Austin Terrace and Spadina Road and to the south, south of Davenport.
Economic Impact	<ul style="list-style-type: none">• Sale for multiple residential uses with potential for further development.• Most intensive potential use resulting in highest value.• Loss of operating revenue from existing operations.
Adaptability	<ul style="list-style-type: none">• Building is not fully suited to multi residential uses.• Interior would have to be fully renovated and incorporated into new development.

Marketability

- Desirable residential location.
- Strong market interest for this type of development/use
- Strong market conditions for Medium Density development opportunities and for finished condo and townhouse developments.
- Property lends unique character to any proposed development.

Value Considerations

Value is based on the sale for medium density residential uses. The developable area would exclude the Natural Area, covering the southerly third of the property.

Property has additional development potential based on permitted densities in the area, in the 2.0X range. The existing building would be incorporated into any future development scheme – this may negatively impact the density permitted depending on the complexity. Value of the existing buildings is included in the per SF unit rate.

MULTI RESIDENTIAL MARKET VALUE INDICATORS

Value Range per SF accountable density	\$64.09 to \$183.67
Average	\$109.94

POTENTIAL SALE PROCEEDS

Not Less Than	\$42.00M
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DEVELOPMENT OPTION 3 OFFICE / COMMERCIAL

Potential Uses	<ul style="list-style-type: none"> • Office Commercial • Natural Area would remain
Zoning	<ul style="list-style-type: none"> • G • Zoning Amendment required to permit use.
Official Plan	<ul style="list-style-type: none"> • Other Open Space Area • Natural Area • Official Plan Amendment required to change use
Legal	<ul style="list-style-type: none"> • Property must be declared surplus by City prior to sale or lease over 21 years. • Official Plan and Zoning amendments required
Heritage	<ul style="list-style-type: none"> • Building interior and exterior designated under the <i>Ontario Heritage Act</i>
Accessibility	<ul style="list-style-type: none"> • Limited access possible depending on user.
Community Impact	<ul style="list-style-type: none"> • Use may result in reduced traffic flow in surrounding area. • Possible removal from the public domain and loss of access to lands. • Preservation of existing building
Economic Impact	<ul style="list-style-type: none"> • Use generates low range value indication based on potential income and high conversion cost. • Sale or lease possible. • Loss of operating revenue from existing operations. • If leased, City would be required to complete base building repairs.
Adaptability	<ul style="list-style-type: none"> • Building is not designed for office or commercial tenancy. • Interior would have to be reconfigured and mechanical upgrades would be needed throughout. • Secondary location for office uses – removed from key business nodes. • Portions of the building could be leased for retail purposes including restaurant or event space.

Marketability

- Limited demand for office use based on secondary location.
- Destination retail/restaurant uses would be feasible in parts of the building.
- Property may appeal to owner user – corporate HQ or similar.

Value Considerations

The site would exclude the Natural Area, covering the southerly third of the property. The building may sell to an investor who would lease the property or to an owner/user for a corporate headquarters or similar.

The property has limited potential for additional commercial development based on achievable rental rates versus cost to build. In a lease situation, the City would need to complete all base repairs and improve the building to a leasable condition.

The building may appeal to an owner user in which case a higher value may be achievable as compared to an investor. The high cost to repair and modify the building would lower the value considerably.

VALUE AS OFFICE/COMMERCIAL	
POTENTIAL RENTAL INCOME	
Range (psf)	\$20 to \$50 NNN*
Average (psf)	\$25 NNN
Potential Annual Rent (Net) 64,644 SF @ \$25 psf	\$1,600,000
MARKET INDICATORS	
Value Range per SF of building	\$208 to \$1,167
Average Price	\$548
POTENTIAL SALE PROCEEDS	
Potential Value as Renovated – Not Less Than	\$48.5M
Less: Structural/Renovation Costs	<u>\$26.0M</u>
Potential Value “As Is” – Not Less Than	\$22.5M

*NNN= Triple Net Lease

DEVELOPMENT OPTION 4
INSTITUTIONAL USE

Potential Uses	<ul style="list-style-type: none">• Institutional Use• Public or private school• Private Health Care• NGO
Zoning	<ul style="list-style-type: none">• G• Zoning Amendment may be required to permit use.
Official Plan	<ul style="list-style-type: none">• Other Open Space Area• Natural Area• Official Plan Amendment may be required depending on the use.
Legal	<ul style="list-style-type: none">• Property must be declared surplus by City prior to sale or lease over 21 years.
Heritage	<ul style="list-style-type: none">• Building interior and exterior designated under the <i>Ontario Heritage Act</i>
Public Accessibility	<ul style="list-style-type: none">• Space would be partially accessible to public depending on the end user.
Community Impact	<ul style="list-style-type: none">• Limited impact depending on the use.• George Brown Campus located immediately to the south, south of Davenport• Upper Canada and Bishop Strachan Schools located to the north – Forest Hill.• Use may not be fully compatible with the surrounding residential area.• Would allow for preservation of existing building.
Economic Impact	<ul style="list-style-type: none">• Loss of operating revenue from existing operations.
Adaptability	<ul style="list-style-type: none">• Depending on the use, the building may suit institutional use.• Interior would have to be demised and mechanical upgrades would be required.• Desirable location for school or institution – situated near transit and George Brown Campus etc.

The unique character of the property and buildings would lend it to use by an institution such as a private school, NGO organization or similar.

Publicly funded agencies or those dependant on contributions or tuition, have limited ability to pay full market pricing. Users such as "Artscape" provide space at below market levels.

This use would result in a relatively low value indication based on the limited purchasing ability and the potential cost to renovate the building.

Property would be sold "as is" – renovations costs could vary considerably depending on the use.

VALUE AS INSTITUTIONAL USE	
POTENTIAL RENTAL INCOME	
Range (psf)	\$15 NNN
Average (psf)	\$15 NNN
Annual Rent (Net) 64,644 SF @ \$15 psf	\$970,000
MARKET INDICATORS	
Value Range per SF building	\$106 to \$430
Average Price	\$202
POTENTIAL SALE PROCEEDS	
Not Less Than	\$10.0M

DEVELOPMENT OPTION 1 SINGLE FAMILY

Potential Uses	<ul style="list-style-type: none"> • Single Family Use
Zoning	<ul style="list-style-type: none"> • G • Zoning Amendment required to permit low density Single Family Uses.
Official Plan	<ul style="list-style-type: none"> • Other Open Space Area • Official Plan amendment required to change use.
Legal	<ul style="list-style-type: none"> • Property must be declared surplus by City prior to sale or lease over 21 years.
Heritage	<ul style="list-style-type: none"> • Building interior and exterior designated under the <i>Ontario Heritage Act</i>
Accessibility	<ul style="list-style-type: none"> • No public access under private ownership
Community Impact	<ul style="list-style-type: none"> • Limited impact – the use is compatible with the surrounding area. • Reduced traffic as compared to the existing use. • Removal from the public domain and loss of access to lands. • Preservation of existing building.
Economic Impact	<ul style="list-style-type: none"> • Sale as SF dwelling generates high value based on intensity of use and strong demand (high prices) for housing in the area • Property could be sold as is. • Loss of operating revenue from existing operations.
Adaptability	<ul style="list-style-type: none"> • Building originally designed for residential uses • Very Desirable residential location • Structural repairs and significant upgrades required to meet current market standards. • Full renovation required.
Marketability	<ul style="list-style-type: none"> • Strong market conditions for higher value residential dwellings – existing homes and new build. • Significant capital investment required which may deter some buyers.

Value Considerations

Value is based on the sale of existing building for use single family uses.

Property may have potential for additional single family development based on currently permitted densities in the area. The extensive structural repairs and cost of modernizing would negatively impact potential sale proceeds. Value includes consideration of renovation and upgrade costs.

SINGLE FAMILY MARKET INDICATORS

Value Range per SF Building	\$448 psf to \$2,555 psf
Average	\$1,015

POTENTIAL SALE PROCEEDS

Potential Value as Renovated – Not Less Than	\$5.50M
Less: Structural/Renovation Costs	<u>\$2.50M</u>
Potential Value “As Is” – Not Less Than	\$3.00M

DEVELOPMENT OPTION 2

MULTI RESIDENTIAL

Potential Uses	<ul style="list-style-type: none"> • Multiple Residential Uses • Existing building would be incorporated into any new development. • Property should be developed in conjunction with the lands to the north – Potting Shed/Stables and 330 Walmer.
Zoning	<ul style="list-style-type: none"> • G • Zoning Amendment required to permit use.
Official Plan	<ul style="list-style-type: none"> • Other Open Space Area • Official Plan Amendment required
Legal	<ul style="list-style-type: none"> • Property must be declared surplus by City prior to sale or lease over 21 years.
Heritage	<ul style="list-style-type: none"> • Building interior and exterior designated under the <i>Ontario Heritage Act</i>
Accessibility	<ul style="list-style-type: none"> • Limited access possible depending on development scheme.
Community Impact	<ul style="list-style-type: none"> • Reduced traffic as compared to the existing use. • Removal from the public domain and loss of access to lands. • Preservation of existing building could be part of any re-development. • Multi residential uses located at Austin Terrace and Spadina Road and to the south, south of Davenport.
Economic Impact	<ul style="list-style-type: none"> • Sale for multiple residential uses with potential for further development. • Sale preferable • Most intensive potential use resulting in highest value. • Loss of operating revenue from existing operations.
Adaptability	<ul style="list-style-type: none"> • Building is not fully suited to multi residential uses. • Interior would have to be fully renovated and incorporated into new development.
Marketability	<ul style="list-style-type: none"> • Desirable residential location. • Strong market interest for this type of development/use • Strong market conditions for Medium Density development opportunities and for finished condo and townhouse developments. • Property lends unique character to any proposed development.

Value Considerations

Value is based on the sale for medium density residential uses. Property has additional development potential based on permitted densities in the area, in the 2.0X range. The existing building would be incorporated into any future development scheme – this may negatively impact the amount of density permitted. Value of the existing buildings is included in the per SF unit rate.

MULTI RESIDENTIAL MARKET INDICATORS

Value Range per SF Building Density	\$64.09 psf to \$183.67 psf
Average	\$109.94

POTENTIAL SALE PROCEEDS

Not Less Than	\$6,000,000
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DEVELOPMENT OPTION 3

OFFICE / COMMERCIAL

Potential Uses	<ul style="list-style-type: none"> Office Commercial
Zoning	<ul style="list-style-type: none"> G Zoning Amendment required to permit use.
Official Plan	<ul style="list-style-type: none"> Other Open Space Area Official Plan Amendment required to change use
Legal	<ul style="list-style-type: none"> Property must be declared surplus by City prior to sale or lease over 21 years.
Heritage	<ul style="list-style-type: none"> Building interior and exterior designated under the <i>Ontario Heritage Act</i>
Accessibility	<ul style="list-style-type: none"> Limited access possible depending on development scheme.
Community Impact	<ul style="list-style-type: none"> Use is will result in reduced traffic flow in surrounding area. Reduced traffic flow in the area. Visual impact, sightlines affected if additional development occurs Removal from the public domain and loss of access to lands. Preservation of existing building
Economic Impact	<ul style="list-style-type: none"> Use generates low value indication based on potential income and high conversion cost. Sale or lease possible. City would be required to complete base building repairs if premises are to be leased.
Adaptability	<ul style="list-style-type: none"> Building is not designed for office or commercial tenancy. Interior would have to be demised and mechanical upgrades would be needed throughout. Secondary location for office uses – removed from key business nodes. Portions of the building could be leased for retail purposes including restaurant.
Marketability	<ul style="list-style-type: none"> Limited demand for office use based on secondary location Destination retail/restaurant uses may be feasible in certain parts of the building. Property may appeal to owner user – corporate HQ or similar.

Value Considerations

Value is based on the sale or lease of existing building for commercial use. The building may sell to an investor who would lease the property or to an owner/user for a corporate headquarters or similar.

The property has limited potential for additional commercial development based on achievable rental rates versus cost to build. In a lease situation, the City would need to complete all repairs and improve the building to a leasable condition.

The building may appeal to an owner user in which case a higher value may be achievable as compared to an investor. The high cost to repair and modify the building would lower the value considerably.

VALUE AS COMMERCIAL/ OFFICE	
POTENTIAL RENTAL INCOME	
Range (psf)	\$20 to \$50 NNN
Average (psf)	\$25 NNN
Annual Rent (Net) 3,592 SF @ \$25 psf	\$90,000
MARKET INDICATORS	
Value Range per SF Building	\$208 to \$1,167
Average	\$548
POTENTIAL SALE PROCEEDS	
Potential Value as Renovated – Not Less Than	\$4.00M
Less: Structural/Renovation Costs	<u>\$2.50M</u>
Potential Value “As Is” – Not Less Than	\$1.50M

DEVELOPMENT OPTION 4

INSTITUTIONAL USE

Potential Uses	<ul style="list-style-type: none"> • Institutional Use • Public or private school • Private Hospital • NGO
Zoning	<ul style="list-style-type: none"> • G • Zoning Amendment may be required to permit use.
Official Plan	<ul style="list-style-type: none"> • Other Open Space Area • Official Plan Amendment may be required depending on the use.
Legal	<ul style="list-style-type: none"> • Property must be declared surplus by City prior to sale or lease over 21 years.
Heritage	<ul style="list-style-type: none"> • Building interior and exterior designated under the <i>Ontario Heritage Act</i>
Public Accessibility	<ul style="list-style-type: none"> • Space would be partially accessible to public depending on the end user.
Community Impact	<ul style="list-style-type: none"> • Limited impact depending on the use. • George Brown Campus located immediately to the south, south of Davenport • Upper Canada and Bishop Strachan Schools located to the north – Forest Hill. • Use not fully compatible with the surrounding residential area. • Would allow for preservation of existing building.
Economic Impact	<ul style="list-style-type: none"> • Sale preferable. • Loss of operating revenue from existing operations.
Adaptability	<ul style="list-style-type: none"> • Depending on the use, the building may suit institutional use. • Interior would have to be demised and mechanical upgrades would be needed throughout. • Smaller size may not be suitable for some uses such as a school but may have more appeal to an NGO.

The unique character of the property and buildings would lend it to use by an institution such as a private school, NGO organization or similar.

Publicly funded agencies or those dependant on contributions or tuition, have limited ability to pay full market pricing. Users such as "Artscape" provide space at below market levels.

This use would result in a relatively low value indication based on the limited purchasing ability and the cost to renovate the building. Property would be sold "as is" – renovations costs could vary considerably depending on the use.

VALUE AS INSTITUTIONAL USE	
POTENTIAL RENTAL INCOME	
Range (psf)	\$15 NNN
Average (psf)	\$15 NNN
Annual Rent (Net) 3,592 SF @ \$15 psf	\$54,000
MARKET INDICATORS	
Value Range per SF of building	\$106 to \$430
Average Price	\$202
POTENTIAL SALE PROCEEDS	
Potential Value "As Is" – Not Less Than	\$700,000

DEVELOPMENT OPTION 1

SINGLE FAMILY

Potential Uses	<ul style="list-style-type: none"> • Single Family Use
Zoning	<ul style="list-style-type: none"> • G • Zoning Amendment required to permit low density Single Family Uses.
Official Plan	<ul style="list-style-type: none"> • Other Open Space Area • Official Plan amendment required to change use.
Legal	<ul style="list-style-type: none"> • Property must be declared surplus by City prior to sale or lease over 21 years.
Heritage	<ul style="list-style-type: none"> • Building interior and exterior designated under the <i>Ontario Heritage Act</i>
Accessibility	<ul style="list-style-type: none"> • No public access under private ownership
Community Impact	<ul style="list-style-type: none"> • Limited impact – the use is compatible with the surrounding area. • Reduced traffic as compared to the existing use. • Removal from the public domain and loss of access to lands. • Preservation of existing building.
Economic Impact	<ul style="list-style-type: none"> • Sale as SF dwelling generates mid-range value based on intensity of use and strong demand (high prices) for housing in the area • Property could be sold as is. • Loss of operating revenue from existing operations.
Adaptability	<ul style="list-style-type: none"> • The potting shed, garage and stables were not designed for residential uses – 330 Walmer Road was originally a residence. • Very Desirable residential location • Buildings would require considerable improvement to be habitable. Stables building provides very limited usable space. • Structural repairs and significant upgrades required to meet current market standards. • Full renovation required.
Marketability	<ul style="list-style-type: none"> • Strong market conditions for higher value residential dwellings – existing homes and new build. • Significant capital investment required which may deter some buyers. • High public profile of project may deter some buyers.

Value Considerations

Value is based on the sale of existing building for use single family uses. Areas of the building may present challenges to conversion.

Property has limited potential for additional single family development based on currently permitted densities in the area. The extensive structural repairs and cost of modernizing would negatively impact potential sale proceeds. Value includes consideration of renovation and upgrade costs.

SINGLE FAMILY – MARKET INDICATORS

Value Range based on Comparable Data	\$448 psf to \$2,555 psf
Average (Price SF Building)	\$1,015

POTENTIAL SALE PROCEEDS

Potential Value as Renovated – Not Less Than	\$18.00M
Less: Structural/Renovation Costs	<u>\$12.00M</u>
Potential Value “As Is” – Not Less Than	\$6.00M

DEVELOPMENT OPTION 2

MULTI RESIDENTIAL

Potential Uses	<ul style="list-style-type: none"> • Multiple Residential Uses • Existing building would be incorporated into any new development. • Property should be developed in conjunction with the lands to the south – Hunting Lodge.
Zoning	<ul style="list-style-type: none"> • G • Zoning Amendment required to permit use.
Official Plan	<ul style="list-style-type: none"> • Other Open Space Area • Official Plan Amendment required
Legal	<ul style="list-style-type: none"> • Property must be declared surplus by City prior to sale or lease over 21 years.
Heritage	<ul style="list-style-type: none"> • Building interior and exterior designated under the <i>Ontario Heritage Act</i>
Accessibility	<ul style="list-style-type: none"> • Limited access possible depending on development scheme.
Community Impact	<ul style="list-style-type: none"> • Reduced traffic as compared to the existing use. • Removal from the public domain and loss of access to lands. • Preservation of existing building could be part of any re-development. • Multi residential uses located at Austin Terrace and Spadina Road and to the south, south of Davenport.
Economic Impact	<ul style="list-style-type: none"> • Sale for multiple residential uses with potential for further development. • Sale preferable • Most intensive potential use resulting in highest value. • Loss of operating revenue from existing operations.
Adaptability	<ul style="list-style-type: none"> • Buildings are not suited to multi residential uses. • Interior would have to be fully renovated and incorporated into new development.
Marketability	<ul style="list-style-type: none"> • Desirable residential location. • Strong market interest for this type of development/use • Strong market conditions for Medium Density development opportunities and for finished condo and townhouse developments. • Property lends unique character to any proposed development.

Value Considerations

Value is based on the sale for medium density residential uses. Property has additional development potential based on permitted densities in the area, in the 2.0X range. The existing buildings would be incorporated into any future development scheme - this may negatively impact the amount of density permitted. Value of the existing buildings is included in the per SF unit rate.

MULTI RESIDENTIAL MARKET INDICATORS	
Value Range per SF Density	\$64.09 to \$183.67
Average	\$109.94

POTENTIAL SALE PROCEEDS	
Not Less Than	\$14,000,000

DEVELOPMENT OPTION 3

OFFICE / COMMERCIAL

Potential Uses	<ul style="list-style-type: none"> Office Commercial
Zoning	<ul style="list-style-type: none"> G Zoning Amendment required to permit use.
Official Plan	<ul style="list-style-type: none"> Other Open Space Area Official Plan Amendment required to change use
Legal	<ul style="list-style-type: none"> Property must be declared surplus by City prior to sale or lease over 21 years.
Heritage	<ul style="list-style-type: none"> Building interior and exterior designated under the <i>Ontario Heritage Act</i>
Accessibility	<ul style="list-style-type: none"> Limited access possible depending on development scheme.
Community Impact	<ul style="list-style-type: none"> Use is will result in reduced traffic flow in surrounding area. Reduced traffic flow in the area. Visual impact, sightlines affected if additional development occurs Removal from the public domain and loss of access to lands. Preservation of existing building
Economic Impact	<ul style="list-style-type: none"> Sale or lease possible. Use generates low range value indication based on potential income and high conversion cost. Loss of operating revenue from existing operations. City would be required to complete structural repairs if premises are to be leased.
Adaptability	<ul style="list-style-type: none"> Building is not designed for office or commercial tenancy. Interior would have to be demised and mechanical upgrades would be needed throughout. Secondary location for office uses – removed from key business nodes. Limited potential for retail uses based on location and exposure.
Marketability	<ul style="list-style-type: none"> Limited demand for office use based on secondary location. Stables provide unique space for innovative user. Property may appeal to owner user – corporate HQ or similar.

Value Considerations

Value is based on the sale or lease of existing building for commercial use. Portions of the building will be very challenging to convert to useable space. The building may sell to an investor who would lease the property or to an owner/user for a corporate headquarters or similar.

The property has limited potential for additional commercial development based on achievable rental rates versus cost to build. In a lease situation, the City would need to complete all repairs and improve the building to a leasable condition.

The building may appeal to an owner user in which case a higher value may be achievable as compared to an investor. The high cost to repair and modify the building would lower the value considerably.

VALUE AS OFFICE/COMMERCIAL	
POTENTIAL RENTAL INCOME	
Range (psf)	\$20 to \$50 NNN
Average (psf)	\$25 NNN
Annual Rent (Net) 18,648 SF @ \$25 psf	\$465,000
MARKET INDICATORS	
Value Range based on Comparable Data	\$208 psf to \$1,167 psf
Average Price (psf)	\$548
POTENTIAL VALUE	
Potential Value as Renovated – Not Less Than	\$19.00M
Less: Structural/Renovation Costs	<u>\$12.00M</u>
Potential Value “As Is” – Not Less Than	\$6.00M

DEVELOPMENT OPTION 4

INSTITUTIONAL USE

Potential Uses	<ul style="list-style-type: none"> • Institutional Use • Public or private school • Private Hospital • NGO
Zoning	<ul style="list-style-type: none"> • G • Zoning Amendment may be required to permit use.
Official Plan	<ul style="list-style-type: none"> • Other Open Space Area • Official Plan Amendment may be required depending on the use.
Legal	<ul style="list-style-type: none"> • Property must be declared surplus by City prior to sale or lease over 21 years.
Heritage	<ul style="list-style-type: none"> • Building interior and exterior designated under the <i>Ontario Heritage Act</i>
Public Accessibility	<ul style="list-style-type: none"> • Space would be partially accessible to public depending on the end user.
Community Impact	<ul style="list-style-type: none"> • Limited impact depending on the use. • George Brown Campus located immediately to the south, south of Davenport • Upper Canada and Bishop Strachan Schools located to the north – Forest Hill. • Use not fully compatible with the surrounding residential area. • Would allow for preservation of existing building.
Economic Impact	<ul style="list-style-type: none"> • Sale preferable • Loss of operating revenue from existing operations.
Adaptability	<ul style="list-style-type: none"> • Depending on the use, the building may suit institutional use. • Interior would have to be demised and mechanical upgrades would be needed throughout. • Range of spaces including very unique space which may appeal to some users.

The unique character of the property and buildings would lend itself to creative users. Publicly funded agencies have limited ability to pay full market pricing and NGO's have similar financial constraints.

This use would result in a relatively low value indication based on the limited purchasing ability and the cost to renovate the building. Property would be sold “as is” – renovations costs could vary considerably depending on the use.

VALUE AS INSTITUTIONAL USE	
POTENTIAL RENTAL INCOME	
Range (psf)	\$15 NNN
Average (psf)	\$15 NNN
Annual Rent (Net) 18,648 SF @ \$15 psf	\$280,000
MARKET INDICATORS	
Value Range based on Comparable Data	\$106 psf to \$430 psf
Average Price (psf)	\$202
POTENTIAL VALUE	
Potential Value “As Is” – Not Less Than	\$3.50M

CONTINGENT AND LIMITING CONDITIONS

1. This report has been prepared at the request of the Board of Casa Loma for the purpose of considering alternate development options for Casa Loma. It is not reasonable for any person other than the person or those to whom this report is addressed to rely upon this report without first obtaining written authorization from the client and the author of this report. This report has been prepared on the assumption that no other person will rely on it for any other purpose and all liability to all such persons is denied.
2. This report has been prepared at the request of, and for the exclusive use of, the recipient as named herein and for specific purpose and function as stated herein. All copyright is reserved to the author. Possession of this report, or a copy thereof, does not carry with it the right to reproduction or publication in any manner, in whole or in part, nor may it be disclosed, quoted from or referred to in any manner, in whole or in part, without the prior written consent and approval of the author as to the purpose, form and content of any such disclosure, quotation or reference. Without limiting the generality of the foregoing, neither all nor any part of the contents of this report shall be disseminated or otherwise conveyed to the public in any manner whatsoever or through any media whatsoever or disclosed, quoted from or referred to in any report, financial statement, prospectus, or offering memorandum of the client, or in any documents filed with any governmental agency without the prior written consent and approval of the author as to the purpose, form and content of such dissemination, disclosure, quotation or reference.
3. The estimates contained in this report should be based on information gathered and obtained from numerous sources. Certain information has been accepted at face value, especially if there was no reason to doubt its accuracy. Other empirical data required an interpretative analysis pursuant to the objective of this appraisal. Certain inquiries were outside the scope of this mandate. For these reasons, the analyses, opinions and conclusions contained in this report are subject to the following Contingent and Limiting conditions.
4. The author of this report cannot accept responsibility for legal matters, questions of survey, opinions of title, hidden or unapparent conditions of the property, toxic wastes or contaminated materials, soil or sub-soil conditions, environmental, engineering or other technical matters, which might render this property more or less valuable than as stated herein. If it came to our attention as the result of our investigation and analysis that certain problems may exist, a cautionary note has been entered in the body of the report.
5. The legal description of the property and the area of the site were obtained from the Registry Office. Further, the plans and sketches contained in this report are included solely to aid the recipient in visualizing the location of the property, the configuration

and boundaries of the site and the relative position of the improvements on the said lands.

6. Investigations have been undertaken in respect of matters, which regulate the use of land. However, no inquiries have been placed with the fire department, the building inspector, the health department or any other government regulatory agency, unless such investigations are expressly represented to have been made in this report. The subject property must comply with such regulations and, if it does not comply, its non-compliance may affect the market value of this property. To be certain of such compliance, further investigations may be necessary.
7. The property has been valued on the basis that all rents referred to in this report are being paid in full and when due and payable under the terms and conditions of the attendant leases, agreements to lease or other contractual agreements. Further, it is assumed that all rents referred to in this report represent the rental arrangements stipulated in the leases, agreements to lease or other contractual agreements pertaining to the tenants' occupancy, to the extent that such rents have not been prepaid, abated, or inflated to reflect extraordinary circumstances, and are full enforceable notwithstanding that such documentation may not be fully executed by the parties thereto as at the date of this appraisal, unless such conditions have been identified and noted in this report.
8. The data and statistical information contained herein were gathered from reliable sources and are believed to be correct. However, these data are not guaranteed for accuracy, even though every attempt has been made to verify the authenticity of this information as much as possible.
9. Should the author of this report be required to give testimony or appear in court or at any administrative proceeding relating to this report, prior arrangements shall be made therefore, including provisions for additional compensation to permit adequate time for preparation and for any appearances, which may be required. However, neither this nor any other of these assumptions nor limiting conditions is an attempt to limit the use that might be made of this report should it properly become evidence in a judicial proceeding. In such a case, it is acknowledged that it is the judicial body, which will decide the use of this report, which best serves the administration of justice.
10. Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without notice or warning, the estimate of market value expressed herein, as of the effective date of this report, cannot necessarily be relied upon as of any other date without subsequent advice of the author of this report.

APPENDIX A – POTENTIAL TAXES

Assessed Values and Taxes - Casa Loma										
	Assessed Value	Current Taxes	Value - SF Residential	Potential Taxes	Value - Multi-Res	Potential Taxes	Value - Commercial	Potential Taxes	Value - Institutional	Potential Taxes
1 Austin Terrace	\$37,332,000	NA	\$50,000,000	\$385,599	\$166,769,000	\$3,362,063	\$48,500,000	\$1,543,076	\$10,000,000	\$318,160
328 Walmer Road	\$1,700,000	NA	\$5,500,000	\$42,416	\$40,000,000	\$806,400	\$4,000,000	\$127,264	\$700,000	\$22,271
330 1/2 Walmer Road	\$3,849,000	NA	\$18,000,000	\$138,816	\$108,028,000	\$2,177,844	\$18,000,000	\$572,688	\$3,500,000	\$111,356

Mill Rates

Residential	0.771198
General Commercial	3.1816
Multi Res	2.016

Notes

Assessed value assumed to be same as potential value under use scenarios.

Single Family based on value as renovated.

Multi Res based on value of built out development @2X density

Commercial value based on renovated value

Institutional value based on current value and commercail mill rate.